Supreme Court, U.S.
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No.

IN THE

Supreme Court of the United States

OCTOBER TERM, 1998

WEST PUBLISHING CO. and
WEST PUBLISHING CORPORATION,

Petitioners,

v.

MATTHEW BENDER & COMPANY, INC.
and HYPERLAW, INC.,

Respondents.

ON PETITION FOR WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

PETITION FOR WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Does the 1976 Copyright Act protect an original arrangement of factual or public domain material from a competitor who uses digital computer technology to replicate that arrangement?

2. Does the 1976 Copyright Act protect comprehensive information about a compilation's original arrangement from electronic copying that permits a copy of the entire original arrangement to be replicated and displayed?

3. Does the 1976 Copyright Act protect a work from comprehensive and damaging commercial use even though the copyright owner has conceded that a particular, limited use of a work, is "fair"?

PARTIES TO THE PROCEEDING

The parties before this Court are those set forth in the caption. Pursuant to Rule 29.6, we advise the Court that West Publishing Company and West Publishing Corporation are wholly owned indirect subsidiaries of The Thomson Corporation, whose shares are publicly traded in Canada and the United Kingdom but not in the United States. West Publishing Company, West Publishing Corporation, and The Thomson Corporation do not have any subsidiaries that are publicly traded.

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West Publishing Company and West Publishing Corporation (collectively, "West") respectfully request that a writ of certiorari be issued to review the opinion and decision of the United States Court of Appeals for the Second Circuit entered in this case.

OPINIONS BELOW

The bench ruling of the United States District Court for the Southern District of New York Court (Pet. App. 48a-83a) is reported at 41 U.S.P.Q.2d 1321, 1996 WL 774803 (S.D.N.Y. Nov. 22 and Nov. 26, 1996). The opinion of the United States Court of Appeals for the Second Circuit (Pet. App. 1a-45a) is reported at 158 F.3d 693. West's petition for rehearing with a suggestion for rehearing in banc was denied on December 18, 1998 (Pet. App. 84a-85a).

STATEMENT OF JURISDICTION

This is a declaratory judgment action by Matthew Bender & Company, Inc. ("Bender") and HyperLaw, Inc. ("HyperLaw") seeking a declaration that they will not infringe West's copyrights in its compilations of judicial opinions by electronically inserting West's "star pagination" into their own CD-ROM compilations. The district court had jurisdiction under 28 U.S.C. §§ 1331, 1338(a), and 2201. The Court of Appeals had jurisdiction to hear the appeal under 28 U.S.C. § 1291. A timely petition for rehearing with a suggestion for rehearing in banc was denied on December 18, 1998, and this petition for a writ of certiorari was filed within 90 days of that date. This Court's jurisdiction is invoked under 28 U.S.C. § 1254(1), and Supreme Court Rule 13.

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, section 8, clause 8 of the United States Constitution provides that:

> The Congress shall have Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Section 101 of the Copyright Act, 17 U.S.C. § 101, provides that:

> "Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.
>
> . . .
>
> A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes a work of authorship.

Section 102(a) of the Copyright Act, 17 U.S.C. § 102, provides that:

> Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. . . .

Section 103(a) of the Copyright Act, 17 U.S.C. § 103, provides that:

> The subject matter of copyright as specified by section 102 includes compilations and derivative works . . . .

Section 103(b) of the Copyright Act, 17 U.S.C. § 103, provides that:

> The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. . . .

Section 106(1) of the Copyright Act, 17 U.S.C. § 106, provides that:

> [T]he owner of copyright under this title has the exclusive rights to do and to authorize any of the following:
>
> (1) to reproduce the copyrighted work in copies or phonorecords;
>
> . . .
>
> (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
>
> . . .

Section 501(a) of the Copyright Act, 17 U.S.C. § 501, provides that:

> Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 120 . . . is an infringer of the copyright. . . .

STATEMENT OF THE CASE

As we stand on the brink of a new millennium, this case presents the Supreme Court with an opportunity to offer guidance on one of the most important copyright issues of the information era. The Second Circuit's ruling has provided would-be infringers of copyrighted compilations with complete insulation against liability, so long as they make their copy available digitally — a result that Congress surely did not intend. Especially in light of the dramatic split of authority between the Second and Eighth Circuits, this case raises fundamental questions about the application of the 1976 Copyright Act to electronic media. This Court's intervention is needed to prevent the subversion of Congress' decisions to craft a forward-looking statute that could be applied to future technologies and to provide compilations with meaningful copyright protection.

Compilations are particularly important to the American economy at this time. Computers and other new telecommunications technologies have inundated us with an endless sea of news, data, facts, and information. As these new technologies progress, it becomes ever more important for the information industries not simply to provide people with still more information, but to find new ways to select, arrange, organize, and compile the ever-expanding universe of data. This explains why many of the most successful Internet companies (*e.g.*, search directories such as Yahoo! and service providers such as American Online) are not those that provide more information, but those that apply original strategies to allow users

to make sense of existing information. The activities of individuals and businesses that create original compilations and arrangements are critical to the further development of useful and efficient communications and information systems.

In this case, a copyrighted arrangement — West's original arrangement of case reports in numerous copyrighted compilations — has been denied protection from electronic copying.[1] There is no dispute that West's ordering of reported cases in its Reporter volumes represents an original and copyrightable arrangement of public domain judicial opinions. The Court of Appeals described the detailed methodology for West's arrangement at 158 F.3d 697 n.3, Pet. App. 4a-5a n.3.

Bender and HyperLaw have electronically inserted "star pagination" (so called because it consists of an asterisk followed by a numeral denoting West's pagination and arrangement of decisions) into their CD-ROM products, thereby making an exact copy of West's original arrangement readily perceivable to the user. Yet the district court and the Second Circuit found that the use of star pagination does not amount to copying of West's arrangement because Bender and HyperLaw did not *physically* store their cases on their CD-ROMs in the same order that West placed them on printed pages.

The lower court decisions in this case have failed to appreciate that — because of the nature of CD-ROM technology — the expression of West's original case arrangement is copied, and West's copyright is infringed, when the series names, volume numbers, and page numbers are systematically copied and

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1. In a separate petition, West seeks review of the Second Circuit's decision, in a companion case, denying copyright protection to West's editorial additions and revisions in adapting judicial opinions into its volumes of compiled case reports.

electronically inputted. As Judge Sweet stated in his Second Circuit dissent:

> Some of the most seminal developments in copyright law have been driven by technological change. . . . Here again it is necessary to reconcile technology with pre-electronic principles of law. Clearly, plaintiffs' CD-ROM disks are not "copies" in the traditional sense. Yet, plaintiffs provide the ability for a user to push a button or two and obtain West's exact selection and arrangement. *This technological capacity presents a new question.* The majority's answer threatens to eviscerate copyright protection for compilations.

158 F.3d at 710, Pet. App. 42a (emphasis added).

A. The CD-ROM Products

Bender's product (the "Bender Product") is composed of eight CD-ROM disks, one containing treatises and forms on New York law, and the other seven containing case law. Four of the case law disks contain a number of years of New York state judicial opinions. The other three case law disks contain a number of years of cases from New York's federal district courts and the New York decisions by the United States Court of Appeals for the Second Circuit. HyperLaw's product ("the HyperLaw Product") consists of CD-ROM disks containing opinions of the United States Supreme Court and the United States Courts of Appeals. 158 F.3d at 697, 698; Pet. App. 6a, 8a. These Products use star pagination to permit full display of the original selection and arrangement of judicial opinions within each of West's copyrighted reporter volumes. Thus, using the Bender and HyperLaw Products, West's entire copyrighted selection and arrangement can be viewed — and printed out —

by using one or two simple commands. *Id.* at 697-698, Pet. App. 7a-8a.[2]

B. The District Court's Decision

At a hearing on November 22, 1996, the district court heard argument and ruled from the bench, granting summary judgment to both Bender and HyperLaw on their claims for a declaratory judgment as to star pagination. For purposes of the summary judgment motions, the district court assumed that West's original case arrangement is protected by copyright and acknowledged that a photocopy of a West volume would "violate West's copyright" by copying its original selection and arrangement. 41 U.S.P.Q.2d at 1321, Pet App. 50a. The court also assumed that Bender's and HyperLaw's CD-ROM Products can display West's original selection and arrangement with a minimum of user effort. *Id.* at 1328, Pet. App. 77a.

Nonetheless, the district court ruled that these Products do not infringe West's copyrights because:

> [W]here and on what particular pages the text of a court opinion appears does not embody any original creation of the compiler, and therefore, in my view, is not entitled to protection.

Id. at 1330, Pet App. 79a.

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2. The district court made no actual finding of fact as to the extent of plaintiffs' star pagination but apparently assumed, for purposes of the summary judgment motion, that both the Bender and Hyperlaw Products comprehensively star paginate *all* of the cases selected and arranged in an unlimited number of West volumes. In addition, the district court did not distinguish between the Bender and Hyperlaw Products and apparently assumed that the Hyperlaw Product (i) star paginates all cases contained in copyrighted West volumes; and (ii) has the same capacity as the Bender Product to display the entire selection and arrangement of a West volume. These assumptions were made explicit and carried forward by the Court of Appeals. 158 F.3d at 698 n.7, Pet. App. 9a n.7.

C. The Court Of Appeals' Decision

The Second Circuit affirmed the district court's ruling, holding that West's pagination can never be protected because it represents uncopyrightable facts, rather than the expression of West's arrangement. 158 F.3d at 707-08, Pet. App. 34a-35a. Moreover, the Second Circuit found that, even if electronic star-pagination makes West's arrangement readily perceivable to a user of Bender's and HyperLaw's CD-ROMs, West's case ordering has not been "copied" because the cases are not *physically stored* on the CD-ROMs in that order. *Id.* at 703-04, Pet. App. 23a-26a.

Judge Sweet dissented from the decision, agreeing with the Eighth Circuit that (i) comprehensive pagination data, when linked to the text of a copyrighted compilation, expresses the compiler's original arrangement; and (ii) an arrangement is "copied" by the inputting of electronic cross-pagination into a database containing the compilation's text. 158 F.3d at 711, Pet. App. 44a. Applying the statutory definition of "copies" to CD-ROM technology, Judge Sweet concluded that Bender's and HyperLaw's programming, which makes the perception of West's arrangement "easy," constitutes infringement of West's reproduction right. *Id.* at 710, Pet. App. 42a-43a.[3]

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3. The Second Circuit also found that Bender and HyperLaw's copying does not infringe West's copyright because West has conceded that the fair use doctrine is applicable to the use of parallel citations to the first page of each case (as opposed to full star pagination, which goes well beyond first-page citation). 158 F.3d at 700-01, Pet. App. 16a-18a. As Judge Sweet observed in his dissent, this finding ignores the fact that, unlike parallel citation, "complete electronic cross-pagination fulfills the same market demand as West's volumes." Judge Sweet cited and agreed with Chief Judge Magnuson's view in *Oasis Publishing Co., Inc. v. West Publishing Co.*, 924 F. Supp. 918, 926 (Cont'd)

REASONS FOR GRANTING THE WRIT

As noted by the dissent, the Second Circuit's decision "threatens to eviscerate copyright protection for compilations" by failing to reconcile CD-ROM technology with the 1976 Copyright Act. 158 F.3d at 710, Pet. App. 42a. Although CD-ROMs did not exist in 1976, Congress anticipated the threat to copyright from CD-ROM technology when it revised the definition of "copies" to include "material objects" in which a copy resides, even if that copy is capable of perception only with the aid of a "machine or device" "now known or later developed." 17 U.S.C. § 101. The user of a CD-ROM, with the aid of a computer, can view pre-programmed arrangements of the texts in the disk's database.

Yet the Second Circuit's ruling would permit unlimited copying of copyrighted original arrangements by CD-ROM. This ruling relies on a dangerously narrow interpretation of the statutory definitions of "fixed" and "copies" and on a fundamental misunderstanding of CD-ROM technology. It also relies on the finding that arrangement data, even when copied *en masse* and programmed into a text database, will always remain unprotectible "facts." This finding, which is inconsistent with *Callaghan v. Myers*, 128 U.S. 617 (1888), and directly conflicts with the view of the Eighth Circuit, ignores the reality

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(Cont'd)

(D. Minn. 1996): " 'Having gotten the inch under the conceded fair use of parallel citation to the first page of each case,' plaintiffs are not 'thereby entitled to take the entire mile in star citation to every page. . . .' " 158 F.3d at 710, Pet. App. 41a-42a. *See also* Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1123 (1990). Moreover, the Second Circuit's majority opinion acknowledged that the electronic copying of parallel citations alone, without star pagination, results in a less readily accessible copy of West's arrangement than the one that can be accessed with complete electronic cross-pagination. 158 F.3d at 701 n.15; Pet. App. 17a n.15.

of today's information industries. In the age of electronic publishing, selection and arrangement will almost always be expressed by the comprehensive insertion of arrangement data — which permits a user to view the entire arrangement with the aid of a computer.[4] Star-pagination is just one example of this basic method for copying (or creating) arrangements digitally.

Thus, this Court's intervention is needed to reaffirm *Callaghan*, resolve the split between the circuits, address crucial questions of statutory interpretation, and prevent judicial nullification of Congress' decision to give meaningful protection to compilations not just in 1976, but for many decades thereafter. Clarification of these issues is of vital practical importance to America's information industries, which cannot thrive if compilations and arrangements are underprotected and if there is no way to anticipate how courts will apply the statute to electronic media.

I.

THE PETITION SHOULD BE GRANTED IN ORDER TO RESOLVE THE SPLIT IN AUTHORITY BETWEEN THE COURTS OF APPEALS

This case presents the Court with a paradigmatic split in authority between circuits: the Courts of Appeals for the Second Circuit and the Eighth Circuit have decided the same important issue in completely opposite ways. Given the fact that most publishers are engaged in nationwide business activity, especially with the advent of the Internet, this circuit division has created

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4. Indeed, since CD-ROMs do not contain traditional visual copies of pages in sequence, the *only* method by which CD-ROM publishers can copy selection and arrangement is to program — or "tag" — each page or segment of the text with markings to indicate the precise order in which a compilation's components appear.

a serious dilemma for publishers of compilations — who cannot predict how (or where) their own works will be protected, nor how (or where) they may use the compilation of another publisher. In addition, legal scholars have widely regarded the star-pagination question — which reflects fundamental uncertainties about the scope of the Copyright Act — as an extremely important issue requiring the guidance of the Supreme Court. *See* note 5, *infra*.

Star pagination has been previously addressed three times, twice by the United States District Court for the District of Minnesota and once by the Eighth Circuit. In every instance, the court determined that star pagination constituted an infringement of the copyrighted arrangements of the West Reporter volumes. *West Pub. Co. v. Mead Data Central, Inc.*, 616 F. Supp. 1571 (D. Minn. 1985), *aff'd*, 799 F.2d 1219 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987); *Oasis Pub. Co. v. West Pub. Co.*, *supra*.

All of these courts have held that West's Reporter name, volume data, and pagination — when linked to the texts of judicial opinions compiled by West — express West's original volume-by-volume, case-by-case selection and arrangement of the opinions. As the district court explained in *West v. Mead*:

> It is beyond cavil that one cannot copyright the Arabic numbering system. 17 U.S.C. § 102. But as is seen above, this is not just a series of numbers each rising by one over its predecessor, it is the basis of West's arrangement – the key to the self-index by which West's arrangement is accessed.

616 F. Supp. at 1579. The Eighth Circuit's reasoning in affirming the district court's decision is to the same effect:

> MDC contends that these page numbers communicate nothing about West's arrangement. This might be true if MDC proposed to use the numbers in some way unconnected to their position in West's reporters, for example by simply printing a list of the numbers. However, MDC understandably has no interest in making such a use of the numbers; instead, it plans to replicate on LEXIS every page break in West's volumes and to note the corresponding page number. Communication to LEXIS users of the location in West's reporters of specific portions of text is precisely what the LEXIS Star Pagination Feature is designed to do. . . .
>
> [T]he copyright we recognize here is in West's arrangement, not in its numbering system; MDC's use of West's page numbers is problematic because it infringes West's copyrighted arrangement, not because the numbers themselves are copyrighted.

West v. Mead, 799 F.2d at 1227-28. *See also Oasis*, 924 F. Supp. at 925.

Since the Supreme Court's repudiation of the "sweat of the brow" doctrine in *Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 111 S. Ct. 1282 (1991), legal scholars have developed a cottage industry devoted to divining the effect of *Feist* on *West v. Mead*.[5] Indeed, in recent litigation involving

5. *See, e.g.*, 1 Paul Goldstein, COPYRIGHT, §§ 2.14.2.1, 2.14.3.3 (1998); 1 Melville B. Nimmer & David Nimmer, NIMMER ON COPYRIGHT, § 3.03 (1998); 1 William F. Patry, COPYRIGHT LAW AND PRACTICE 193-200 (1994); Howard B. Abrams, *Originality and Creativity in Copyright Law*, 55 SPG LAW & CONTEMP. PROBS. 3 (1992); Keith Aoki, *Authors, Inventors and Trademark Owners: Private Intellectual Property and the Public Domain*, 18 COLUM.-VLA J. L. & ARTS 1 (1993); (Cont'd)

West's copyrights, it has become *de rigueur* for those seeking court approval for wholesale copying of West's selection and arrangement to assert that in *Feist* the Supreme Court "overruled" the analysis in *West v. Mead* — ostensibly because the Eighth Circuit mentioned "effort" as well as creativity (and relied on a telephone directory case) in determining that West's selection and arrangement is protectible.

In fact, *West v. Mead* did not accord copyright protection under the "sweat of the brow" doctrine. The Eighth Circuit's opinion makes it clear that intellectual creativity — and not "industrious collection" — was the basis of the decision:

> To be the original work of an author, a work must be the product of some "creative intellectual or aesthetic labor."
>
> . . . [I]n each case the arrangement must be evaluated in light of the originality and intellectual-creation standards. . . .

West v. Mead, 799 F.2d at 1223-26 (citations omitted).

(Cont'd)
Stephen C. Carlson, *The Law and Economics of Star Pagination*, 2 GEO. MASON U. L. REV. 421 (1995); Harriette K. Dorsen, *Compilations and Factual Narrative Works After Feist Publication v. Rural Telephone Service*, 317 PLI/Pat 401 (1991); Carl J. Khalil, *Are Page Numbers Really Copyrightable? The Effect of Feist on the West Publishing v. Lexis Case*, 76 J. PAT. & TRADEMARK OFF. SOC'Y 807 (1994); Peter B. Maggs, *The Impact of the Internet on Legal Bibliography*, 46 AM. J. COMP. L. 665 (1998); Michell D. Orton, *House Bill 1822: New Anti-Westopoly Rule Proposed in Congress*, 7 DEPAUL-LCA J. ART & ENT. L. 308 (1997); Pamela Samuelson & Robert J. Glushko, *Intellectual Property Rights for Digital Library and Hypertext Publishing Systems*, 6 HARV. J. L. & TECH. 237 (1993); Russ VerSteeg, *Rethinking Originality*, 34 WM. & MARY L. REV. 801 (1993); James H. Wyman, Comment, *Freeing the Law: Case Reporter Copyright and the Universal Citation System*, 24 FLA. ST. U. L. REV. 217 (1996).

What is highly relevant in *West v. Mead* — and nowhere addressed, directly or indirectly, in *Feist* — is the Eighth Circuit's persuasive reasoning that (i) star pagination, when linked to the text of a compilation, is protectible because it expresses the compiler's selection and arrangement; and (ii) a compilation's selection and arrangement is copied when star pagination is inserted into an electronic database containing the compilation's text. 799 F.2d at 1227-28. As noted above, the Second Circuit explicitly disagreed with the Eighth Circuit on both of these points. Indeed, the Second Circuit acknowledged the split it was creating: "We differ with the Eighth Circuit's opinion in" *West v. Mead*. 158 F.3d at 707, Pet. App. 34a.

Feist, of course, says nothing about whether a star-paginated electronic database infringes a protectible print arrangement — although it clearly stands for the protectibility of selection and arrangement as a discrete, original element of a copyrightable compilation. In short, the Eighth Circuit's analysis of the issues relevant to this case has not been weakened by *Feist*. If anything, that analysis has been dramatically validated by the technological developments since *West v. Mead* — *e.g.*, the virtually unlimited capacity of CD-ROMs to copy (cheaply) and display (easily) creative compilations. In *Feist*, this Court said,

> a subsequent compiler remains free to use the facts contained in another's publication to aid in preparing a competing work, *so long as the competing work does not feature the same selection and arrangement.*

Feist, 499 U.S. at 349, 111 S. Ct. at 1289 (emphasis added). Bender's and HyperLaw's CD-ROMs plainly "feature" West's arrangement by making it readily accessible through the insertion of electronic star pagination.

The Supreme Court's guidance is required in this case in order to bring resolution to the vast array of divergent legal

opinions on this matter. With respect to originality, the confusion about the impact of *Feist* on *West v. Mead* is merely one component of the more general confusion, throughout the federal courts, concerning the application of *Feist* to compilations that contain more originality than white page telephone directories.[6] Review by this Court is needed to clarify the parameters of the originality requirement, and the scope accorded copyrightable compilations, and to dispel the misapprehension that *Feist* "overruled" *West v. Mead* in this regard.

Even more importantly, this Court's guidance is needed to resolve the split between the circuits on whether an infringer can escape liability, in the increasingly digital world, by replicating protected selections and arrangements through the comprehensive electronic copying and encoding of page numbers, paragraph numbers, or other compilation markers.

II.

THE PETITION SHOULD BE GRANTED TO ENSURE EFFECTIVE COPYRIGHT PROTECTION FOR COMPILATIONS IN AN AGE OF DIGITAL TECHNOLOGY

The Second Circuit's treatment of this case raises questions of paramount importance for copyright law and for all those

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6. *See, e.g.*, 1 Goldstein, *supra*, § 2.2.1 at 2:9-10 ("Although the Court's intentions probably fell short of the broad language it employed, Feist's repeated references to creativity as part of the originality standard, and to the standard's constitutional foundation, have unavoidably introduced a wild card into the question of copyright protection for all forms of data collections . . ."); Anant S. Narayanan, *Standards of Protection for Databases in the European Community and the United States: Feist and the Myth of Creative Originality*, 27 GEO. WASH. J. INT'L L. & ECON. 457, 469 (1994) ("[T]he Feist decision will continue to cast its shadow over works that are on the borderline of copyrightability unless the rule is clarified or excised. As a consequence, it is important for the Court to revisit Feist. . . .")

with an interest in the creation and use of compilations. The issue is certain to come before the federal courts with increasing frequency as electronic technology continues to transform today's publishing and information industries. The Second Circuit's decision effectively eviscerates the copyright in compilations of information, thus crippling the incentives to continue to use new technologies for organizing and accessing data in the preparation of copyrighted arrangements and compilations.

This is not a case in which the judiciary is being asked to expand copyright protection in light of technological innovations. On the contrary, the relevant aspect of the Copyright Act — the definition of "copies" in Section 101 — is "broad and forward looking."[7] Therefore, the opinions below reflect a dangerous misreading of the statute as well as a failure to recognize the now-and-future realities of electronic publishing.

Can the statutory definition of "copies" be applied to digital copies of arrangements using CD-ROM technology? If a competitor's programming permits an exact copy of a protected arrangement to be perceived easily, *in its entirety*, on a CD-ROM, can the competitor escape liability simply because his

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7. *Tasini v. New York Times Co.*, 972 F. Supp. 804, 816 (S.D.N.Y. 1997) (Sotomayor, J.). "[I]t is to be presumed that the terms of the 1976 Act encompass all variety of developing technologies," including computer technologies. *Id.* at 818, *citing* Act's legislative history and repeal of 17 U.S.C. § 117. *See also, e.g., WGN Continental Broadcasting Co. v. United Video, Inc.*, 693 F.2d 622, 627 (7th Cir. 1982), in which the court interpreted the Act to include a new medium, citing Congress' apparent intent (evidenced in the legislative history) that courts

> interpret the definitional provisions of the new act flexibly, so that it would cover new technologies as they appeared, rather than to interpret those provisions narrowly and so force Congress periodically to update the act.

programming does not require the *physical* replication of the copyrighted arrangement on the CD-ROM? Are new digital works ineligible for copyright protection if there is no originality in the way data is physically stored in the product? These are among the crucial questions raised by the Second Circuit's rulings. Absent this Court's clarification of the critical statutory concepts involved, the entire field of electronic compilation and database publishing will be plagued by uncertainty and underprotection.

According to the 1976 Copyright Act:

> "Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and *from which the work can be perceived, reproduced, or otherwise communicated*, either directly or *with the aid of a machine or device.*

17 U.S.C. § 101 (emphasis added).

In this case, the Court of Appeals acknowledged or assumed that Bender's and HyperLaw's CD-ROMs contain in their respective databases every case that appears in West's volumes for the relevant jurisdictions; that Bender and HyperLaw have comprehensively star paginated each and every case that appears in a West volume by copying and inputting into the text of each case the West series name, volume number, and page numbers corresponding to each and every page of West's text; and that Bender and HyperLaw have programmed their CD-ROMs so that a user can readily display all the cases from each West volume in the precise order — case by case, page by page — that they appear in West's bound books. 158 F.3d at 696-98, Pet. App. 4a-9a.

The application of the Act appears to be straightforward: Bender and HyperLaw have copied (§ 101) West's original arrangement into another medium. The resulting copy can be perceived as such with a machine (§ 101) in violation of one of West's exclusive rights (§ 106(1)). The selling of this copy violates another exclusive right (§ 106(3)). Each violation of these exclusive rights is an infringement of West's copyright (§ 501).

Nonetheless, the Second Circuit reached an entirely opposite conclusion, making it clear that critical ambiguities arise when the statute, enacted over 20 years ago, is applied to CD-ROM technology. Congress intended the 1976 Act to be adaptable to new technologies, to encourage the creation of new works in electronic formats, and to protect copyright owners from computer-age "loopholes" for infringers. These goals will be subverted unless this Court provides authoritative clarification of the applicability of the Act's key definitions.

A. The Supreme Court's Guidance Is Needed To Clarify That The Statutory Definition Of "Fixed" Applies To All Pre-Programmed Arrangements On A CD-ROM

Without the Supreme Court's direction on the interpretation of the Copyright Act's fixation requirement, other courts will repeat and recycle the fundamental misunderstanding of the Second Circuit in this case — one that effectively immunizes digital infringement from liability under the Act. This same misinterpretation also leads to the conclusion that many digitally *created* works must be denied copyright protection because they are insufficiently "fixed." Without this Court's guidance, the creation of new works will be discouraged and the intent of Congress frustrated.

The Copyright Act provides that

> [a] work is "fixed" . . . when its embodiment in a copy . . . is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.

17 U.S.C. § 101.

The House Report leaves no doubt that the definition of "fixed" was intended to encompass the inputting of copyrighted elements onto a CD-ROM:

> Under the bill it makes no difference what the form, manner or medium of fixation may be — whether it is in words, numbers, notes, sounds, pictures, or any other graphic or symbolic indicia, whether embodied in a physical object in written, printed, photographic, sculptural, punched, magnetic, or any other stable form, and whether it is capable of perception directly or by means of any machine or device "now known or later developed."

H.R. REP. NO. 94-1476, at 52, *reprinted in* 1976 U.S.C.C.A.N. 5659, 5665. Under the statutory definition, any pre-programmed arrangement contained on a CD-ROM is "fixed" — *i.e.*, sufficiently non-transitory to permit reproduction. It is undisputed in this case, for example, that the Bender and Hyperlaw software enables a user to access, and print out, a copy of West's protected case arrangement.

Yet the Second Circuit failed to apply the plain meaning of the Act, concluding that West's arrangement is not "fixed" on the Bender and HyperLaw Products because it is not physically embedded on the CD-ROMs:

> [T]he only fixed arrangement is the (non-West) sequence that is *embedded* on plaintiffs' CD-ROM discs and that appears with the aid of a machine *without manipulation of the data*. . . . [T]he arrangement of the "work" on plaintiffs' CD-ROM discs is the arrangement of cases that is displayed by a CD player reading the information in the order in which it is *physically embedded* or "fixed" in the discs. . . .

158 F.3d at 703 and 704, Pet. App. 24a and 26a (emphasis added).[8]

In fact, there are no permanently fixed, "embedded," or visible arrangements on a CD-ROM. On the contrary, there are only those arrangements that, as a result of the CD-ROM manufacturer's programming and marking of the data, are readily perceivable to a user who accesses that pre-programmed arrangement.[9] The physical-storage arrangement of CD-ROM

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8. The Second Circuit apparently relied on the mistaken belief that CD-ROMs feature some garden-variety "browsing" arrangement related to the physical-storage arrangement. There is no basis, in general or in this case, for an inference that any so-called "browsing" arrangement is permanently visible or displayed without user "manipulation."

9. As one scholar has aptly put it:

> [I]t is often senseless to seek in [computer databases] a specific, fixed arrangement of data. There is simply a collection of information stored in an electronic memory — information that can be arranged and retrieved in variations limited only by the capabilities of the computer and the sophistication of the retrieval program.

See Robert C. Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 COLUM. L. REV. 516, 531 (1981).

data is not routinely made visible to users, nor is it of any practical significance or utility to them.[10] The physical "embedding" of information on a CD-ROM is in no way comparable to placing words on a page. No arrangement or sequence of data on any CD-ROM is perceivable "without manipulation of the data."

Thus, the Second Circuit's equation of a CD-ROM's physical-storage arrangement of information with the arrangement perceptible to the user strikingly demonstrates the degree of confusion that arises in applying the Act's "fixation" requirement to digital technology.[11] According to the Second Circuit, a digital work must be analyzed solely in terms of how the information in the work is physically stored, irrespective of how the information has been "tagged" and otherwise marked

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10. It would be highly unusual, and purposeless, to store data in any user-oriented order; rather, data storage is dictated by the technical logistics of optimizing the efficient storage of data in the smallest possible space. Data is stored on a CD by means of a series of "pits" (low spots) and "lands" (high spots). As the laser shines into the moving pits and lands, a sensor detects a change in reflection when it encounters a transition from pit to land or land to pit. Each transition is a 1; the lack of transitions are 0s. The computer then interprets these 1s and 0s and arranges them into the proper order to form readable text.

11. Indeed, The Second Circuit's holding, which effectively reduces compilation copyright to nothing more than protection from verbatim print photocopying, ignores the essential nature and character of electronic products:

> [D]igital works . . . cannot be perceived or read by humans except with the aid of a user interface. One cannot tell from viewing one portion of such a work on a computer screen how large the work is, nor can one navigate through the text unless navigation aids have been specially constructed in software to permit this.

Samuelson & Glushko, *supra*, 6 HARV. J. L. & TECH. at 241.

for retrieval. This approach is dangerous because, for example, it would deny copyright protection to virtually all CD-ROM compilers — who use a purely functional arrangement for storage but who tag the information so that a user can access a creative arrangement.

This Court's guidance is needed to clarify the "fixation" requirement in the context of digital technology — a critical issue for the future of electronic publishing.[12]

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12. The Second Circuit's analysis of "substantial similarity," based on the same misapprehensions about CD-ROM technology, also would permit unlimited infringement by CD-ROM. 158 F.3d at 704-06, Pet. App. 26a-30a. According to the majority, a manufacturer may encode an original, copyrighted arrangement of public domain material onto a CD-ROM so long as he also encodes some garden-variety arrangement of the data. There will be no "substantial similarity" because the copyrighted arrangement will always be compared, against all logic, to the garden-variety arrangement, not to the identical copy, readily perceivable on the CD-ROM, of the copyrighted arrangement. (Courts that follow the Second Circuit will assume, mistakenly, that this garden-variety arrangement corresponds to the actual physical-storage arrangement of data.) As the dissent noted:

> It is immaterial that plaintiffs' products may display other arrangements as well as West's. The capability of a CD-ROM to display more than one arrangement does not make the encoding of an original selection and arrangement such as West's any less of an infringement. It is also irrelevant that plaintiffs' products may contain material beyond West's selection and arrangement. Infringement is determined by how much of the copyright owner's work was taken, not by what else the copier's work contains. See, e.g., Warner Bros., Inc. v. American Broadcasting Cos., Inc., 720 F.2d 231, 241 (2nd Cir. 1983).

158 F.3d at 709, n.1, App. Pet. 40a n.1.

B. The Supreme Court's Guidance Is Needed To Clarify That The Statute's Definition Of "Copies" Applies To Copies Accessed By CD-ROM Users With The Aid Of A Computer

Congress anticipated digital technology by specifying that, for purposes of the Act, a "copy" of a work need not be visible but may be perceived "with the aid of a machine or device." CD-ROM users, with a computer, can access, view, and print data arrangements that are adequately pre-programmed or marked by the CD-ROM producer. These retrieved copies of data arrangements clearly would infringe under the statutory definition.[13] If they did not, anyone could sell exact copies of copyrighted data compilations with impunity, so long as the infringing copies are offered in the CD-ROM format, which requires user retrieval to make any arrangement visible.

The Second Circuit's decision, however, demonstrates that, absent this Court's guidance, the Act's reference to "with the aid of machine or device" may be seriously misinterpreted, particularly by anyone with a limited understanding of digital technology. The Second Circuit's reading of the statute arises, in large part, from its misapprehension that the computer, by itself, without any directive from a user, "reads" and "perceives" some permanently fixed arrangement on a CD-ROM:

> [W]e conclude that a CD-ROM disc infringes a copyrighted arrangement *when a machine or device* that reads it *perceives* the embedded material in the

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13. Similarly, in *Tasini*, *supra*, the court found that the component parts of a collective work remained collective despite being *stored* in an electronic database alongside innumerable unrelated articles, in part because of electronic "tagging." 972 F. Supp. at 823-24.

> copyrighted arrangement or in a substantially similar arrangement.

158 F.3d at 701, Pet. App. 20a (emphasis added). In fact, of course, the computer itself "perceives" nothing; rather, it is the tool through which the user perceives data. The essential nature of CD-ROM technology is that only the user's commands or searches dictate what is perceivable from the database, which has no inherent or meaningful arrangement. Nonetheless, the Second Circuit grounded its interpretation on the mistaken belief that some data arrangements are permanently fixed, and therefore instantaneously visible when a CD-ROM is "hooked up" to a computer.[14]

The Second Circuit's other fundamental misunderstanding is that the user of a CD-ROM *alters* "the fixed embedding of the work," "uses the machine to re-arrange the material into the copyrightholder's arrangement," and thereby becomes the "initiator" of the infringement. 158 F.3d at 702-03, Pet. App. 20a, 24a. In fact, no CD-ROM user can, or does, alter the data on the disc in any way.[15] He or she merely accesses, through a series of keystrokes or mouse clicks (analogous to turning book pages), the pre-programmed arrangement of data by the CD-ROM manufacturer. In this case, the user who decides to view the copy of West's arrangement pre-programmed on the CD-ROM is not initiating the infringement. That occurred long before — when Bender and HyperLaw systematically copied the expression of West's arrangement from every page of every volume and programmed it onto the CD-ROM, and again when they distributed their products.

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14. *See supra* note 8.

15. Indeed, the letters "RO" in CD-ROM stand for "Read Only."

Thus, the Second Circuit has effectively rewritten the statute to narrow the definition of "copies," transforming it from a forward-looking definition to one essentially limited to technologies well-known in 1976.[16] Congress' definition is purposely open-ended: a copy is a material object (such as a CD-ROM) from which the "work can be perceived" *by a human being* "with the aid of a machine or device." The statute, leaving room for technologies not yet developed, does not specify how the machine enables a person to perceive the work. The Second Circuit's interpretation of the statute requires that the work must be perceived, without any action by the user, by the "machine or device" itself.

This interpretation of "copies" simply immunizes all pre-programmed CD-ROM arrangements, none of which appear without a user's "manipulation." A CD-ROM manufacturer can copy an original arrangement of data, program it into a CD-ROM's database, and make it readily accessible for viewing and reproduction — all with little or no risk of a judicial finding of "copying." Moreover, the Second Circuit's interpretation of key statutory terms ("perceive" and "with the aid of a machine or device") makes original compilations and other works created on CD-ROM ineligible for any copyright protection, pursuant to Section 102(a) of the statute, since they cannot be instantaneously perceived by a computer without user "manipulation."

Data compilation and arrangement may be the most important segment of the nation's electronic publishing industry. This Court's intervention is needed to ensure that copyright protection is not effectively eliminated for an entire class of works — one particularly vital to the national economy — that

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16. *See* 158 F.3d at 702-03, Pet. App. 22a-24a.

Congress plainly intended to protect.[17] Absent clarification of the statutory provisions by this Court, the copyrights of compilers will be jeopardized by inconsistency of decision and the type of underprotection that results from the opinion below.

C. The Second Circuit's Ruling That "Mere Page Numbers" Can Never Be Protected Conflicts With This Court's Decision In *Callaghan* And Opens The Door To Unlimited Infringement Through Electronic Copying Of Arrangements

By departing from this Court's holding in *Callaghan*, the decision below threatens the very existence of arrangement and compilation copyright in an electronic environment. The Second Circuit's reasoning completely ignores the fact that West's volume and page numbers — or, to take another example, the paragraph numbers in CCH's reporters — are, when comprehensively linked to the case names or relevant texts, a complete expression of the compilation author's arrangement of the judicial opinions. In *Callaghan*, this Court recognized the potential expressiveness of pagination when it included "the order of the arrangement of the cases, the division of the reports into volumes, [and] the numbering and paging of the volumes" among the potentially copyrightable elements in case-report compilations.[18] The decision below conflicts with *Callaghan* as

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17. The Court of Appeals suggests that the only way a CD-ROM, involving "manipulation of the data" (as does every CD-ROM), might be a "copy" under the Act is if the "manipulation" were "invited." 158 F.3d at 703, Pet. App. 24a. Why isn't Bender and HyperLaw's insertion of star pagination precisely this type of "invitation"? Star pagination obviously invites the pre-programmed software to be used to view West's original, copyrighted arrangement of cases.

18. As the district court noted in *West v. Mead*, *Callaghan* does not stand for the proposition that pagination is *per se* protectible but (Cont'd)

well as *West v. Mead* by relying on the misconception that "mere page numbers" (or other expressions of order and arrangement) never can be protected, even when they function, *en masse*, as a code for copying an author's original arrangement. Ignored is the critical difference between the mere copying of facts and the making of a computer-perceptible copy of a copyrighted arrangement through the comprehensive electronic copying of all the information about the author's choices in arranging facts.[19]

The *Callaghan* Court's recognition that pagination may express copyrightable selection and arrangement has become particularly valid and meaningful in this electronic age. In database terms, the page numbers are "compilation markers" that, programmed into digital text, can fully replicate an original compilation, including its protectible selection and arrangement. In order to appropriate an arrangement of public domain material,

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(Cont'd)
rather that pagination "ascend[s] to a level appropriate for copyright protection" when it expresses creative selection and arrangement. 616 F. Supp. at 1576.

19. By characterizing all the page locations in West's compilations as unprotectible "facts," the Second Circuit again took an analytical mis-step that would render meaningless any copyright protection for compilations. The court failed to distinguish between pre-existing facts contained in a work (like the data in a white pages directory) and facts about a copyrighted work that come into existence only after the work has been created, and *solely as the result of authorship*. *Feist* expressly recognized the difference between "pre-existing uncopyrightable facts" and the copyrightable arrangement of those facts. *See* 499 U.S. at 361-62, 111 S. Ct. at 1296-97. The "facts" about West's arrangements (series names, volume numbers, page numbers), when comprehensively copied and programmed into a database, are clearly not "pre-existing uncopyrightable facts" but, rather, the expression of West's copyrightable arrangements. *See* 158 F.3d at 710, Pet. App. 41a (Sweet, J., dissenting).

it is not necessary to copy all the pieces in their arranged order. It is sufficient to copy the incremental data points required to express the arrangement and program them into the relevant public domain database. In this case, the incremental data points are the page numbers and their relative text position. Thus, the page numbers, placed in the proper position in the cases, are themselves the expression of the arrangement.[20]

Absent guidance from this Court, confirming that comprehensive copying of "compilation markers" sometimes can constitute infringement of an original arrangement or selection, copyright holders face the risk of unlimited electronic copying. Virtually all computer-based data compression methods rely on the principle of using incremental data points as a shorthand for conveying expression. Digital texts or images are not compressed by somehow "squeezing" the data into a smaller space, but by eliminating all data except those incremental points required to produce an exact copy of the original.[21] Without this

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20. This basic concept has numerous applications in everyday life — for example, the giving of street directions. In order to tell someone how to walk from one point to another, it is not necessary to describe each inch of the path along the way. It is sufficient to convey only the incrementally relevant data points: *i.e.*, walk east on Street A to Street B, turn south on Street B until you reach Street C, and then walk east until to reach Street D. If these short-hand instructions were electronically programmed into a database containing the overall street configuration, a user could view the *complete* path from one point to the other. This path is an exact analogy for the complete text of an original copyrightable arrangement. Just as the short-hand instructions fully express the path, so, too, West's pagination fully expresses its arrangement.

21. Hypothesize a computer displaying a simple picture — a screen half blue and half green — by arranging individual points of color in the proper order. Each pixel is identified to the computer by its coordinates along paired x, y axes. Thus, the computer could display the picture through a long, cumbersome series of individual instructions specifying the color for each individual pixel, arranged in the proper

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compression method, many of the high speed data transmissions we take for granted (*e.g.*, Internet transmissions, digital cellular phone transmissions, and digital television signals, such as satellite and HDTV) would not be possible. In each, the computer efficiently stores only the relevant incremental data points, rather than all the data itself.

According to the Second Circuit's reasoning, all data-compression computer technologies (not just CD-ROMs) could be used to deliver exact copies of copyrighted compilations without liability — since, in literal, non-statutory terms, they "copy" only the "facts" about the selection and arrangement of these works. Indeed, in the world of electronic publishing, any work, no matter how creative, can be freely copied by inputting and programming all the "facts" about its arrangement so that, in combination with the relevant raw database, a fully perceptible, reproducible copy of the author's original arrangement is displayed. *See CCC Information Services v. Maclean Hunter Market Reports, Inc.*, 44 F.3d 61, 71 (2d Cir. 1994), *cert. denied*, 516 U.S. 817 (1995) (at some level of abstraction, every recitation or copying of a work is "factual").

(Cont'd)

order. Alternatively, the computer could be given a single instruction to display every pixel green, until it reaches a particular designated pixel, and then display every pixel blue. This type of instruction allows the computer to arrange the colored pixels in exactly the same order, but accomplishes it much more efficiently by conveying only the incremental data necessary to produce the arrangement. This is exactly what HyperLaw and Bender have done by reproducing West's pagination. Rather than reproduce the full-text result of West's original arrangement by physically replicating the cases, arranged in West's order, they have taken only the compilation markers or incremental data points (the page numbers and page break locations) necessary to allow them to produce exactly the same expression of West's arrangement. Just as either set of instructions to the computer in the foregoing example expresses the same arrangement of pixels, West's case reporters and HyperLaw and Bender's star pagination express the same arrangement of cases.

Granting a writ in this case will provide this Court with an opportunity to reaffirm *Callaghan* and address an important federal question: the crucial distinction, in an electronic environment, between uncopyrightable facts and author-created "facts" that are copyrightable because they are the *sine qua non* of an original arrangement, and a code for verbatim copying.

CONCLUSION

For the foregoing reasons, West respectfully request that a writ of certiorari to the United States Court of Appeals for the Second Circuit be granted.

Respectfully submitted,

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APPENDIX

APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT DATED NOVEMBER 3, 1998 AND FILED NOVEMBER 4, 1998

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

August Term, 1997

(Argued: March 16, 1998 Decided: November 03, 1998)

Docket No. 97-7430

MATTHEW BENDER & COMPANY, INC.,

Plaintiff-Appellee,

HYPERLAW, INC.,

Intervenor-Plaintiff-Appellee,

– v.–

WEST PUBLISHING CO.; WEST PUBLISHING CORPORATION,

Defendants-Appellants.

Before: CARDAMONE and JACOBS, *Circuit Judges*, and SWEET,* *District Judge.*

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* The Honorable Robert W. Sweet, of the United States District Court for the Southern District of New York, sitting by designation.

Appendix A

JACOBS, *Circuit Judge*:

Defendants-appellants West Publishing Co. and West Publishing Corp. (collectively "West") create and publish printed compilations of federal and state judicial opinions. Plaintiff-appellee Matthew Bender & Company, Inc. and intervenor-plaintiff-appellee HyperLaw, Inc. (collectively "plaintiffs") manufacture and market compilations of judicial opinions stored on compact disc-read only memory ("CD-ROM") discs, in which opinions they embed (or intend to embed) citations that show the page location of the particular text in West's printed version of the opinions (so-called "star pagination").[1] Bender and HyperLaw seek judgment declaring that star pagination will not infringe West's copyrights in its compilations of judicial opinions. West now appeals from a judgment of the United States District Court for the Southern District of New York (Martin, *J.*), granting summary judgment of noninfringement to Bender and partial summary judgment of noninfringement to HyperLaw.[2]

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1. This cross-reference method is called "star pagination" because an asterisk and citation or page number are inserted in the text of the judicial opinion to indicate when a page break occurs in a different version of the case.

2. The district court granted summary judgment to HyperLaw on the star pagination issue. However, HyperLaw had sought an additional declaration that its duplication of West's version of the captions and text of judicial opinions does not infringe West's copyright. The district court denied summary judgment on that claim, and ruled for HyperLaw following a bench trial. West appeals from that decision as well and we uphold that ruling in a separate opinion issued today. *See Matthew Bender & Co. v. West Publ'g Co.*, No. 97-7910.

Appendix A

West's primary contention on appeal is that star pagination to West's case reporters allows a user of plaintiffs' CD-ROM discs (by inputting a series of commands) to "perceive" West's copyright-protected arrangement of cases, and that plaintiffs' products (when star pagination is added) are unlawful copies of West's arrangement. We reject West's argument for two reasons:

A. Even if plaintiffs' CD-ROM discs (when equipped with star pagination) amounted to unlawful copies of West's arrangement of cases under the Copyright Act, (i) West has conceded that specification of the *initial* page of a West case reporter in plaintiffs' products ("parallel citation") is permissible under the fair use doctrine, (ii) West's arrangement may be perceived through parallel citation and thus the plaintiffs may lawfully create a copy of West's arrangement of cases, (iii) the incremental benefit of star pagination is that it allows the reader to perceive West's page breaks within each opinion, which are not protected by its copyright, and (iv) therefore star pagination does not *create* a "copy" of any protected elements of West's compilations or infringe West's copyrights.

B. In any event, under a proper reading of the Copyright Act, the insertion of star pagination does not amount to infringement of West's arrangement of cases.

BACKGROUND

West creates "case reports" of judicial opinions by combining (i) certain independently authored features, such as syllabi (which summarize each opinion's general holdings),

headnotes (which summarize the specific points of law recited in each opinion), and key numbers (which categorize the points of law into different legal topics and subtopics), with (ii) the text of the opinions, to which West adds parallel citations to other reporters, information about the lawyers, and other miscellaneous enhancements. West then publishes these case reports (first in paperbacked advance sheets, and then in hardbound volumes) in various series of "case reporters." These case reporters are collectively known as West's "National Reporter System," and include (as relevant to this case): the *Supreme Court Reporter*, which contains all Supreme Court opinions and memorandum decisions; the *Federal Reporter*, which contains all federal court of appeals opinions designated for publication, as well as tables documenting the disposition of cases that are unpublished; the *Federal Rules Decisions* and *Federal Supplement*, which contain selected federal district court opinions; and the *New York Supplement*, which contains selected New York State case reports.[3] Cases appearing in West's case reporters are

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3. West's general arrangement of its case reporters is as follows (with each subsequent category dictating the order of cases within the previous category):

> *Supreme Court Reporter*: Cases are organized: (i) by type of opinion (full opinion, then orders and memorandum decisions); (ii) then by order of the filing date; (iii) then by the seniority of the Justice who authored the opinion (*per curiam* opinions follow opinions authored by individual justices); and (iv) then by docket number.
>
> *Federal Reporter*: Cases are organized in advance sheets: (i) by court (first the D.C. Circuit, then the numbered Circuits, (Cont'd)

universally cited by the volume and page number of the case reporter series in which they appear. One citation guide recommends — and some courts require — citation to the West version of federal appellate and trial court decisions and New York State court decisions. *See The Bluebook: A Uniform System of Citation* at 165-67, 200-01 (16th ed. 1996); *see, e.g.*, Third Cir. R. 28.3(a); Eleventh Cir. R. 28-2(k); *see also The University of Chicago Manual of Legal Citation* 15 (1989) ("When citing to a state case, indicate the volume

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(Cont'd)

and finally the Federal Circuit); (ii) then by type of opinion (first opinions and jacketed memoranda, then "sheet memoranda"; cases reported in tables are placed together at the end of the advance sheet); and (iii) then chronologically. Two or three advance sheets are then combined in a permanent volume.

Federal Supplement and *Federal Rules Decisions*: Cases are organized in advance sheets: (i) by circuit; (ii) then alphabetically by state; (iii) then if a state has multiple districts in the following order: Northern, Central, Middle, Eastern, Western and Southern; and (iv) then chronologically. The advance sheets are then combined into a bound volume.

New York Supplement: Cases are organized in advance sheets: (i) by format, such as fully headnoted opinions and memorandum decisions; (ii) then by court level; (iii) then by department; and (iv) then chronologically. The advance sheets are then combined into a bound volume.

These general guidelines are subject to specific editorial decisions to publish cases sequentially or in the same volume, or to combine an opinion with a subsequent order amending the opinion or denying rehearing.

and first page of the case for both the official and commercial reporters.").

Bender markets a series of CD-ROM discs[4] called *Authority from Matthew Bender*. One product in this series — the "New York product" — consists of three elements: (i) "New York Law and Practice" (one disc), which contains New York statutory and treatise materials; (ii) "New York Federal Cases" (three discs), which contains cases from the Second Circuit and New York's federal district courts from 1789 to the present; and (iii) "New York State Cases" (four discs), which contains New York State judicial opinions from 1912 to the present (the New York State Court of Appeals cases begin in 1884). These CD-ROM discs contain published opinions and unpublished opinions and orders from these courts.

Bender obtains the text of the judicial opinions through a license from LEXIS (an on-line database containing legal and non-legal data), and stores the opinions and orders on the discs arranged by court and date, which is also the order in which they would be seen by a user who for some reason browses through the discs without sorting the case reports in a search. For each case that appears in West's case reporters, Bender intends to insert (and in some cases already has

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4. As noted by the parties, CD-ROM publications have several advantages over books, including the capability of: (i) storing large amounts of information in a small amount of space; (ii) locating items in the text using word searches; and (iii) printing out portions of the text or downloading them to disks. In addition, unlike on-line retrieval services which provide some of the same benefits, the CD-ROM user does not incur time charges.

inserted) a parallel citation (*e.g.*, 100 F.3d 101) to the West case reporter at the beginning of the opinion and a citation to the successive West page numbers at the points in the opinion where page breaks occur in the West volume (*e.g.*, *104 or 100 F.3d 104).

Bender uses the FOLIO file-retrieval program, which allows a user to access opinions in several ways, including in the order in which they are stored on the disc, or through term searches, or through a West or LEXIS parallel or page citation. In addition, citations appearing within judicial opinions are "hot linked," so that a user may retrieve the cited case by clicking the mouse on the case citation.

West claims (and for the purposes of this summary judgment motion, we accept as true) that the FOLIO retrieval system permits a user of Bender's product to view (and print) judicial opinions in the same order in which they are printed in a West volume by repeating the following steps: (i) a user activates the jump feature in the program to go to the first page in a West case reporter volume, (ii) pages through to the bottom of the case, (iii) finds the last star pagination reference, and (iv) activates the jump cite feature to retrieve the case beginning on the same or next West page number.[5]

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5. West's counsel describes the retrieval procedure this way:

> Using the [Bender] product, I was able to act in all ways as though I had a physical, print copy of volume 628 of West's *New York Supplement (Second)* series. I typed the West citation "nys2d|628|1," and the product displayed the caption of the case, "*In the Matter of Neftali*

(Cont'd)

Appendix A

HyperLaw markets *Supreme Court on Disc*, an annual CD-ROM disc containing opinions of the United States Supreme Court since 1991, and *Federal Appeals on Disc*, a quarterly CD-ROM disc containing nearly all opinions (published and unpublished) of the federal courts of appeals

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D.," that West chose to arrange as the first case in volume 628. The product indicated that West's headnotes and other material occupied the rest of page 1, because the text of the court's decision begins after the star page **{628 N.Y.S.2d 2}**. Reading through the text of the decision, I saw where the text that West had put on page 2 ended and where the text on page 3 began, because there was a marker to show where in mid sentence page 2 ended and page 3 began. The marker was a bold green **{628 N.Y.S.2d 3}**. Likewise, I saw where page 3 ended, because there was a bold green **{628 N.Y.S.2d 4}**. From observing the fact that (1) that there was no marker to show where page 5 began, and (2) that the amount of text after the page 4 marker was notably less than the amount between page 3 and page 4, I could see that the next case in volume 628 also began on page 4 of the volume. I then entered the West citation "nys2d|628|4" to look at the next case, and continued similarly.

I found that I did not even need to type in the West citations if I simply put the cursor at the left hand bracket of the last star page marker of the previous case. With the cursor there, pressing control-d brought up a jump link destination box with the West cite already typed in for me, such as "nys2d|628|p4." Deleting the "p," I could then go to the next case as arranged in volume 628 of West's *New York Supplement* without having to type the full cite.

since January 1993.[6] HyperLaw currently obtains the text of its opinions directly from the courts and includes in its *Federal Appeals* CD-ROM disc many more cases than published by West. The opinions are organized on the CD-ROM disc in an order that is "approximately chronological." HyperLaw includes parallel citations to West's case reporters for all cases appearing in the *Supreme Court Reporter* and the *Federal Reporter*, and intends to add star pagination as well.[7]

Bender's complaint sought a judgment declaring that star pagination to West's case reporters will not copy West's arrangement or infringe West's copyright. HyperLaw intervened seeking the same relief. All parties then moved for summary judgment. The district court granted summary judgment to plaintiffs on the star pagination issue, concluding that the insertion of star pagination to West's volumes on the CD-ROM version of the cases would not reproduce any protectable element of West's compilation. The court noted that "the protection extends only to those aspects of the compilation that embody the original creation of the compiler" and that "where and on what particular pages the text of a court opinion appears does not embody any original

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6. The record seems to indicate that since the commencement of this suit, HyperLaw has combined these two products into one.

7. HyperLaw claims that its product does not permit users to view cases in the same order as they appear in the West case reporters. However, the district court did not distinguish between Bender's and HyperLaw's display and retrieval capabilities, and because it does not affect the outcome of this case, we will assume that HyperLaw's product has the same retrieval capabilities as the Bender product.

creation of the compiler, and therefore . . . is not entitled to protection." The court further ruled that star pagination would be permitted under the fair use doctrine even if West's pagination were copyrightable.

DISCUSSION

West's case reporters are compilations of judicial opinions. The Copyright Act defines a "compilation" as "a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship." 17 U.S.C. § 101 (1994). Compilations are copyrightable, but the copyright "extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work." 17 U.S.C. § 103 (1994).[8] Works of the federal

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8. Section 103 of the Copyright Act provides:

> (a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.
>
> (b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material.

17 U.S.C. § 103.

government are not subject to copyright protection, 17 U.S.C. § 105 (1994), although they may be included in a compilation.

Feist Publications, Inc. v. Rural Telephone Service Co., 499 U.S. 340, 111 S. Ct. 1282 (1991), is the seminal Supreme Court decision on copyrights in compilations. In *Feist*, the publisher of a telephone book claimed that a competitor had infringed its compilation copyright by copying some of its white pages listings. The Court clarified the scope of a copyright in compilations: "A factual compilation is eligible for copyright if it features an original selection or arrangement of facts, but the copyright is limited to the particular selection or arrangement. In no event may copyright extend to the facts themselves." *Id.* at 350-51, 111 S. Ct. at 1290. Because of this limitation on protectability, "the copyright in a factual compilation is thin. Notwithstanding a valid copyright, a subsequent compiler remains free to use the facts contained in another's publication to aid in preparing a competing work, so long as the competing work does not feature the same selection and arrangement." *Id.* at 349, 111 S. Ct. at 1289. The Court expressly rejected the "sweat of the brow" doctrine, which had justified the extension of copyright protection to the facts and other non-original elements of compilations on the basis of the labor invested in obtaining and organizing the information. *Id.* 359-60, 111 S. Ct. at 1295.

Under *Feist*, two elements must be proven to establish infringement: "(1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original." *Id.* at 361, 111 S. Ct. at 1296. Bender and HyperLaw concede that West has proven the first element of infringement, *i.e.*, that West owns a valid copyright in each of its case reporters.

However, as is clear from the second *Feist* element, copyright protection in compilations "may extend only to those components of a work that are original to the author." *Id.* at 348, 111 S. Ct. at 1289. The "originality" requirement encompasses requirements both "that the work was independently created . . ., *and* that it possesses at least some minimal degree of creativity." *Id.* at 345, 111 S. Ct. at 1287 (emphasis added); *see also Key Publications, Inc. v. Chinatown Today Publ'g Enters., Inc.*, 945 F.2d 509, 512-13 (2d Cir. 1991) ("Simply stated, original means not copied, and exhibiting a minimal amount of creativity."). At issue here are references to West's volume and page numbers distributed through the text of plaintiffs' versions of judicial opinions. West concedes that the pagination of its volumes — *i.e.*, the insertion of page breaks and the assignment of page numbers — is determined by an automatic computer program, and West does not seriously claim that there is anything original or creative in that process. As Judge Martin noted, "where and on what particular pages the text of a court opinion appears does not embody any original creation of the compiler." Because the internal pagination of West's case reporters does not entail even a modicum of creativity, the volume and page numbers are not original components of West's compilations and are not themselves protected by West's compilation copyright.[9] *See Feist*, 499 U.S. at 363,

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9. The same conclusion can be arrived at using a different chain of reasoning. There is a fundamental distinction under the Copyright Act between the original work of authorship and the physical embodiment of that work in a tangible medium. *See* H.R. Rep. No. 94-1476, at 53 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5666 (noting "a fundamental distinction between the 'original work' which

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111 S. Ct. at 1297 ("As a constitutional matter, copyright protects only those constituent elements of a work that possess more than a *de minimis* quantum of creativity.").

Because the volume and page numbers are unprotected features of West's compilation process, they may be copied without infringing West's copyright.[10] However, West proffers an alternative argument based on the fact (which West has plausibly demonstrated) that plaintiffs have inserted or will insert *all* of West's volume and page numbers for certain case reporters. West's alternative argument is that even

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is the product of 'authorship' and the multitude of material objects in which it can be embodied. Thus, in the sense of the [Act], a 'book' is not a work of authorship, but is a particular kind of 'copy.' Instead, the author may write a 'literary work,' which in turn can be embodied in a wide range of 'copies' and 'phonorecords' . . . ."). The embedding of the copyrightable work in a tangible medium does not mean that the features of the tangible medium are also copyrightable. Thus, here, the original element of West's compilation, its arrangement of cases, is protectable, while the features of the physical embodiment of the work, *i.e.*, the page numbers, are not.

10. The dissent would extend copyright protection to all page numbers because, when inserted into a complete set of opinions appearing in West's case reporters, they reflect the arrangement of those reporters. Dissent at 40a. But such an approach would extend copyright to page numbers which do not represent an exercise of original authorship. Although the arrangement of West's cases may be copyrightable, and although *complete* star pagination may permit the perception of that arrangement, there is no support for extending copyright protection to an unoriginal element because when completely copied it reveals a protected element rather than copies it.

though the page numbering is not (by itself) a protectable element of West's compilation, (i) plaintiffs' star pagination to West's case reporters embeds West's arrangement of cases in plaintiffs' CD-ROM discs, thereby allowing a user to perceive West's protected arrangement[11] through the

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11. West claims that its arrangement of cases, *see supra* note 3, is original and worthy of copyright protection. Hyperlaw (but not Bender) argues that West's arrangement of cases in the *Supreme Court Reporter* and the *Federal Reporter* (the case reporters containing the opinions included on HyperLaw's CD-ROM discs) is insufficiently original to be copyrightable. But because we find that West's arrangement has not been copied through the insertion of star pagination to West's case reporters, we can assume without deciding that West's case reporters contain an original and copyrightable arrangement.

In addition, this opinion will not address any copying by plaintiffs of the *selection* of cases included in West's case reporters. First, West argued below that Bender had copied West's arrangement of cases, not its selection. Second, it is uncontested that plaintiffs' compilations include many more opinions than West's case reporters. For example, *HyperLaw's* second quarter 1996 CD-ROM disc contained approximately 36,000 Supreme Court and court of appeals decisions, only 22,000 of which were published by West. The selection of cases for *Bender's* product also differs from West's: (i) it contains many unpublished decisions not found in West's reporters, and (ii) unlike West's *Federal Reporter*, *Federal Supplement*, and *Federal Rules Decisions*, Bender's product includes only federal cases decided by *New York* courts. Accordingly, we cannot find that the selection of cases in plaintiffs' compilations is substantially similar to West's selection. *See Tasini v. New York Times Co.*, 972 F. Supp. 804, 823 (S.D.N.Y. 1997) (Sotomayor, J.) (noting that to find infringement of selection, "the subsequent work cannot differ in selection by 'more than a trivial degree' from the work that preceded it") (citing *Kregos v. Associated Press*, 937 F.2d 700, 710 (2d Cir. 1991)).

plaintiffs' file-retrieval programs, and (ii) that under the Copyright Act's definition of "copies," 17 U.S.C. § 101, a work that allows the perception of a protectable element of a compilation through the aid of a machine amounts to a copy of the compilation. We reject this argument for two separate reasons.[12]

A

West asserts an indirect infringement theory: (i) the embedding of unprotectable volume and page numbers in a

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12. Plaintiffs cite *Banks Law Publishing Co. v. Lawyers' Co-Operative Publishing Co.*, 169 F. 386 (2d Cir. 1909), in arguing that star pagination to case reporters is permissible, and they intimate that *Banks* held that the arrangement of cases cannot be copyrightable. *Banks*'s holding seems to have rested on the plaintiff's status as an official reporter. *See id.* at 389 (reprint of text of district court opinion) ("A reasonable interpretation of the statute prescribing his duties implies pagination, volumes of uniform size and reasonable thickness, together with a suitable and convenient arrangement of the cases."). True, our opinion in *Banks* adds that "[i]t is not necessary to discuss so much of the opinion below as deals with the question[] of . . . the right of the official reporter to secure copyrights," *id.* at 391, which could imply either that our holding did not rest on the official status of the reporter but on the lack of originality in the arrangement *or* that the foregone analysis concerns the copyrightability of elements not dictated by statute. In any event, Bender concedes for the purpose of summary judgment that West's arrangement is sufficiently original to merit copyright protection; *Banks* does not assist in answering the distinct question of whether star pagination infringes the arrangement of another reporter if the arrangement of the cross-paginated work is copyrightable; and *Banks* preceded even the effective date of the Copyright Act of 1909. We decline to decide this case on the strength of *Banks*.

CD-ROM disc (so-called "compilation markers" or "tags"), (ii) permits a user to perceive West's arrangement of cases through the aid of a machine, and (iii) this amounts to a copy of the compilation's arrangement under § 101's definition of "copies." Assuming for the moment that West has properly read the Act, *i.e.*, that a copy of the arrangement is created when the arrangement can be perceived with the aid of a user *and* a machine, we think it is clear that the copy is not created by insertion of star pagination.

West concedes that insertion of parallel citations (identifying the volume and first page numbers on which a particular case appears) to West's case reporters in plaintiffs' products (as well as any other compilations of judicial opinions) is permissible under the fair use doctrine.[13] *See* West Reply Brief at 5 n.5 (noting "West's long-held position that parallel citation to West case reports by competitors (*without* additional star pagination) is a fair use under 17 U.S.C. § 107 — *i.e.*, an *otherwise infringing use* that, when analyzed under the § 107 factors, is deemed 'fair' "); West's Response to Bender's Rule 3(g) Statement ¶ 32, Joint Appendix at 1581; *see also West Publ'g Co. v. Mead Data*

13. According to Bender and HyperLaw, West has admitted before various courts and congressional panels that West's parallel citation is in the *public domain*. But these statements were not in the context of a legal proceeding or unequivocal, and there is no evidence that a court has adopted this position in some manner. *See AXA Marine & Aviation Ins. (UK) Ltd. v. Seajet Indus. Inc.*, 84 F.3d 622, 628 (2d Cir. 1996) (noting that "[a] party invoking judicial estoppel must show that (1) the party against whom judicial estoppel is being asserted advanced an inconsistent factual position in a prior proceeding, and (2) the prior inconsistent position was adopted by the first court in some manner").

Central, Inc., 799 F.2d 1219, 1222 (8th Cir. 1986) ("West concedes that citation to the first page of its reports is a noninfringing 'fair use' under 17 U.S.C. § 107."). West admitted at oral argument (as it did in the district court [14]) that these parallel citations already allow a user of plaintiffs' CD-ROM discs to perceive West's arrangement with the aid of a machine and that plaintiffs' CD-ROM discs therefore already have created a lawful "copy" of West's arrangement on their CD-ROM discs — as West defines "copy." [15]

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14. The following exchange occurred before the district court:

> THE COURT: Star pagination, though, you say if by using the star pagination they can duplicate through their computer the West system, why can't they do that, why . . . can't they reproduce your compilation simply by using the first page?
>
> MR. MUSILEK [West's Counsel]:
>
> Your Honor, they can. They cannot show where in fact page breaks occur; they cannot show the page numbers associated with those page breaks for finding specific portions of text.

Joint Appendix at 3507.

15. A user of plaintiffs' CD-ROM products containing only parallel citation to West's case reporters could use the same method described by West's attorney, *see supra* note 5, to recreate West's arrangement, although it might require some trial and error to locate the exact page where the next West case begins.

Once the copy has thus been created through parallel citation — assuming that anyone would wish to avail themselves of the capability of perceiving this copy — the only incremental data made perceivable (through the aid of a machine) by star pagination is the location of page breaks within each judicial opinion. But since page breaks do not result from any original creation by West, their location may be lawfully copied. We therefore conclude that star pagination's volume and page numbers merely convey unprotected information, and that their duplication does not infringe West's copyright.

The opposite conclusion was reached by the district court in *Oasis Publishing Co. v. West Publishing Co.*, 924 F. Supp. 918 (D. Minn. 1996), which reasoned that the fair-use copying of parallel citation, which could be used to perceive the arrangement of cases, did not excuse copying interior pagination, which could also be used to perceive arrangement. *See id.* at 926.[16] It is true that copying under the fair use

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16. The court noted:

> Although with either the parallel cites *or* an internal cite from each case a user could sort West's cases and determine West's arrangement, the former does not utterly supplant the need for West's product while the latter does.
>
> Conceding parallel citation to the first page of each case as a noninfringing fair use does not diminish West's copyright interest in the subsequent internal pages, which also would *independently* permit arrangement of the cases by sorting. Having gotten the inch under the

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doctrine will not necessarily permit additional uses, and will not excuse additional copying that in the aggregate amounts to infringement. But a compilation has limited protectability; only the original elements of a compilation (*i.e.*, its selection, arrangement, and coordination) are protected from copying. The insertion of parallel citations already creates a "copy" of West's arrangement (at least as West defines a copy), a copy that is permissible under the fair use doctrine. Star pagination cannot be said to create *another* copy of the same arrangement. Prohibiting star pagination would simply allow West to protect *unoriginal* elements of its compilation that have assumed importance and value. Accordingly, even were we to agree with West's interpretation of the Copyright Act, we would not find infringement.

B

But our rejection of West's position is even more fundamental. If one browses through plaintiffs' CD-ROM discs from beginning to end, using the computer software that reads and sorts it, the sequence of cases owes nothing to West's arrangement. West's argument is that the CD-ROM discs are infringing copies because a user who manipulates the data on the CD-ROM discs could at will re-sequence the cases (discarding many of them) into the West arrangement. To state West's theory in the statutory words on which West

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> conceded fair use of parallel citation to the first page of each case, Oasis is not thereby entitled to take the entire mile in star citation to *every* page.

Oasis Publ'g Co., 924 F. Supp. at 926.

(mistakenly) relies, each of the plaintiffs' CD-ROM discs is a "copy" because West's copyrighted arrangement is "fixed" on the disc in a way that can be "perceived . . . with the aid of a machine or device." 17 U.S.C. § 101 (1994).

For reasons set forth below, we conclude that a CD-ROM disc infringes a copyrighted arrangement when a machine or device that reads it perceives the embedded material in the copyrighted arrangement or in a substantially similar arrangement. At least absent some invitation, incentive, or facilitation not in the record here, a copyrighted arrangement is not infringed by a CD-ROM disc if a machine can perceive the arrangement only after another person uses the machine to *re*-arrange the material into the copyrightholder's arrangement.

1. Section 101's Definition of "Copies"

West relies on the statutory definition of "copies." To establish infringement, the copyright holder must demonstrate a violation of an exclusive right. 17 U.S.C. § 501 (1994). One such right is the right "to reproduce the copyrighted work in *copies* or phonorecords." 17 U.S.C. § 106(1) (1994) (emphasis added). Section 101 of the Copyright Act defines "copies" as follows, the emphasis supplied on terms implicated by the analysis in this case:

> "Copies" are material objects, other than phonorecords, in which a work is *fixed by any method* now known or later developed, and *from which the work can be perceived*, reproduced, or otherwise communicated, either directly or *with*

> *the aid of a machine or device*. The term "copies" includes the material object, other than the phonorecord, in which the work is first fixed.

17 U.S.C. § 101. "A work is 'fixed' in a tangible medium of expression when its embodiment in a copy . . . is sufficiently permanent or stable to permit it to be *perceived*, *reproduced*, or otherwise communicated for a period of more than transitory duration." *Id.* (emphasis added).

The Copyright Act establishes a "fundamental distinction" between the original work of authorship and the material object in which that work is "fixed." *See supra* note 9. The sole purpose of § 101's definitions of the words "copies" and "fixed" is to explicate the "fixation" requirement, *i.e.*, to define the material objects in which copyrightable and infringing works may be embedded and to describe the requisite fixed nature of that work within the material object. *See* 1 William F. Patry, *Copyright Law and Practice* 168 (1994) ("The two essential criteria of statutory copyright are originality and fixation."); *id.* at 174 (noting that the definition of "copies" is "intended to 'comprise all the material objects in which copyrightable objects are capable of being fixed' "). Under § 101's definition of "copies," a work satisfies the fixation requirement when it is fixed in a material object from which it can be perceived or communicated directly or with the aid of a machine.[17]

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17. The wording of the definition is set forth in the previous paragraph of text. 17 U.S.C. § 101. The dissent argues that the first "work" in this passage references the allegedly infringing work, while

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This definition was intended to avoid the distinctions "derived from cases such as *White-Smith Publishing Co. v. Apollo Co.*, 209 U.S. 1[, 28 S. Ct. 319] (1908), under which statutory copyrightability in certain cases [had] been made to depend upon the form or medium in which the work is fixed." H.R. Rep. No. 94-1476, at 52 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5665; *see also* S. Rep. No. 94-473, at 51 (1975).[18] In *White-Smith*, the Supreme Court held that

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the second "work" refers to the original work. Dissent at 42a-43a. Our interpretation of the statute flows from a plain reading, under which the same meaning is attached to each reference to a "work"; there is no indication in the statute that the second "work" is intended to refer to the original work of authorship, as opposed to simply the work that is fixed in the material object.

18. In explaining the fixation requirement, the House Report states in full:

> As a basic condition of copyright protection, the bill perpetuates the existing requirement that a work be fixed in a "tangible medium of expression," and adds that this medium may be one "now known or later developed," and that the fixation is sufficient if the work "can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device." This broad language is intended to avoid the artificial and largely unjustifiable distinctions, derived from cases such as *White-Smith Publishing Co. v. Apollo Co.*, 209 U.S. 1 (1908), under which statutory copyrightability in certain cases has been made to depend upon the form or medium in which the work is fixed. Under the bill it makes no difference what the form,

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a piano roll did not infringe the copyrighted music it played because its perforations were unintelligible to the eye and therefore did not amount to a "copy" of the music (which the Court defined as " 'a written or printed record of [the musical composition] in intelligible notation' "). *See White-Smith Publ'g Co.*, 209 U.S. at 17, 28 S. Ct. at 323. There was no question in that case that the work embodied in the piano roll reproduced the original work of authorship, *i.e.*, the piece of music; the only question was whether this reproduction met the "fixation" requirement. Thus, the definition of "copies" is intended to expand the "fixation" requirement to include material objects that embody works capable of being perceived with the aid of a machine, thereby ensuring that reproductions of copyrighted works contained on media such as floppy disks, hard drives, and magnetic tapes would meet the Copyright Act's "fixation" requirement.

That definition — intended to clarify that a work stored on a disk or tape can be a copy of the copyrighted work even if it cannot be perceived by human senses without technological aid — means that CD-ROM discs can infringe

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> manner, or medium of fixation may be — whether it is in words, numbers, notes, sounds, pictures, or any other graphic or symbolic indicia, whether embodied in a physical object in written, printed, photographic, sculptural, punched, magnetic, or any other stable form, and whether it is capable of perception directly or by means of any machine or device "now known or later developed."

H.R. Rep. No. 94-1476, at 52, *reprinted in* 1976 U.S.C.C.A.N. 5659, 5665 (footnote omitted).

a copyright even if the information embedded upon them is not perceptible without the aid of a CD-ROM player. In this case, however, the only fixed arrangement is the (non-West) sequence that is embedded on plaintiffs' CD-ROM discs and that appears with the aid of a machine without manipulation of the data.

To recapitulate a bit, West relies on the definition of "copies" to argue that plaintiffs' CD-ROM discs duplicate its copyrighted arrangement of cases because star pagination permits a user to "perceive" the copyrighted element "with the aid of" a computer and the FOLIO retrieval system, *i.e.*, by manipulating the data embedded on a CD-ROM disc to retrieve the cases in the order in which they appear in the West case reporters. West's definition of a copy, as applied to a CD-ROM disc, would expand the embedded work to include all arrangements and *re*arrangements that could be made by a third-party user who manipulates the data on his or her own initiative. But the relevant statutory wording refers to material objects in which "a work" readable by technology "is fixed," not to another work or works that can be created, unbidden, by using technology to alter the fixed embedding of the work, by rearrangement or otherwise. The natural reading of the statute is that the arrangement of the work is the one that can be perceived by a machine without an uninvited manipulation of the data.

West cites no case which supports its interpretation of § 101's definition of "copies,"[19] and every case we have

19. West relies on *Tasini v. New York Times Co.*, 972 F. Supp. 804 (S.D.N.Y. 1997) (Sotomayor, J.); but that case is completely

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found has relied upon the definition solely to ascertain whether a work has met the fixation requirement, not to determine the arrangements and rearrangements of the work fixed on the material object. *See, e.g., Stenograph L.L.C. v. Bossard Assocs., Inc.*, 144 F.3d 96, 100 (D.C. Cir. 1998) (citing § 101's definition of "copies" to "support the

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consistent with our interpretation of § 101's definition of "copies." At issue in *Tasini* was a collective work author's right to produce several electronic databases containing the collective work under § 201(c)'s "revision" right for collective works. The contributors to the collective works argued, *inter alia*, that § 201(c) did not contemplate that a computer database of the collective work could amount to a revision, arguing that because § 201(c) did not confer the right to display the copyrighted work publicly, the work could not be reproduced on a computer because "a work cannot be reproduced electronically unless it is 'displayed' on a computer screen." *Id.* at 816. However, the court rejected this argument, noting that the reproduction right, which *is* granted under § 201(c), and "which necessarily encompasses the right to create copies of that work, presupposes that such copies might be 'perceived' from a computer terminal." *Id.*

This statement merely affirmed that a reproduction of an original work may be found on a material object that allows the work to be perceived on a computer terminal. But it does not explain the arrangement of the "work" fixed on that copy and whether a particular copy is a reproduction of the original work. Nor did *Tasini* read § 101's definition of "copies" to mean that the data was arranged in any way that could be perceived by a third party with the aid of a sorting device. In fact, when the court did consider whether the work embedded on the CD-ROM was substantially similar to the original collective work, it did not refer to § 101's definition of "copies". *Id.* at 823-25.

proposition that the installation of software onto a computer results in 'copying' within the meaning of the Copyright Act"); *Stern Elecs., Inc. v. Kaufman*, 669 F.2d 852, 856 (2d Cir. 1982) (using § 101's definition of "copies" to determine whether an audiovisual work met the "fixation" requirement); *Sega Enters. Ltd. v. Accolade, Inc.*, 785 F. Supp. 1392, 1396 (N.D. Cal.) (using § 101 to determine whether an intermediate copy was actionable and noting substantial similarity between intermediate copy and allegedly infringed work as the test for determining whether intermediate copy was reproduction of copyrighted work), *aff'd in part and rev'd in part*, 977 F.2d 1510 (9th Cir. 1992).

2. Substantial Similarity

The question presented — whether an element of West's copyrighted work has been reproduced in a "copy" — is answered by comparing the original and the allegedly infringing works, and inquiring whether the copyrightable elements are substantially similar. Under the facts of this case, the arrangement of the "work" on plaintiffs' CD-ROM discs is the arrangement of cases that is displayed by a CD player reading the information in the order in which it is physically embedded or "fixed" in the discs and not all possible arrangements that can be perceived through the manipulation and rearrangement of the embedded data by a third party user with a machine.

The Supreme Court in *Feist* emphasized that copyright protection for a factual compilation is "thin," and that a compilation containing the same facts or non-copyrightable elements will not infringe unless it "*feature[s]* the same

selection and arrangement" as the original compilation. *Feist*, 499 U.S. at 349, 111 S. Ct. at 1289 (emphasis added); *see also Key Publications, Inc. v. Chinatown Today Publ'g Enters., Inc.*, 945 F.2d 509, 514 (2d Cir. 1991) (holding that to establish infringement, a compilation copyright holder must demonstrate "substantial similarity between those elements, and only those elements, that provide copyrightability to the allegedly infringed compilation"). To determine whether two works contain a substantially similar arrangement, courts compare the ordering of material in the two works, finding infringement only when both compilations have featured a very similar literal ordering or format. *See, e.g., Lipton v. Nature Co.*, 71 F.3d 464, 472 (2d Cir. 1995) (finding infringement of arrangement when of 25 terms contained in copyrighted work, 21 are listed in same order on allegedly infringing work); *Worth v. Selchow & Righter Co.*, 827 F.2d 569, 573 (9th Cir. 1987) (holding that alphabetical arrangement of factual entries in a trivia encyclopedia was not copied by a copyrighted game that organized the factual entries by subject matter and random arrangement on game cards); *see also* Jane C. Ginsburg, *No "Sweat"? Copyright and Other Protection of Works of Information After Feist v. Rural Telephone*, 92 Colum. L. Rev. 338, 349 (1992) (noting that under *Feist*, nothing "short of extensive verbatim copying" will amount to infringement of a compilation). "If the similarity concerns only noncopyrightable elements of [a copyright holder's] work, or no reasonable trier of fact could find the works substantially similar, summary judgment is appropriate." *Williams v. Crichton*, 84 F.3d 581, 587 (2d Cir. 1996) (internal quotation marks and citations omitted).

We agree with plaintiffs and *amicus* United States that West fails to demonstrate the requisite substantial similarity.[20] West's case reporters contain many fewer cases than plaintiffs' CD-ROM discs, and are arranged according to classification such as court, date, and genre (opinions, per curiam opinions, orders, etc.), subject to certain exceptions characterized by West as features of originality, whereas plaintiffs organize their cases simply by court and date. Comparison of the works reveals that cases that appear adjacent in the West case reporters are separated on plaintiffs' products by many other cases; and even if these other cases are disregarded, the West cases included on plaintiffs' products are not in an order at all resembling West's arrangement.[21]

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20. West does not claim that the appearance or layout of the cases on Bender's product reproduces the appearance or layout of West's case reporters. In fact, the layout is quite different; Bender displays its cases in one column with no page breaks, and with footnotes displayed at the end of the case or through a pop-up window that can be accessed by clicking the mouse-button on the footnote number.

21. As for Bender's product, there can be no substantial similarity in arrangement to the *Federal Reporter*, *Federal Supplement* and *Federal Rules Decisions*. Those reporters contain case reports from many non-New York courts (Second Circuit cases account for approximately 8.4% of the cases reported in the *Federal Reporter*, and New York federal courts contribute approximately 16.3% of the cases reported in the *Federal Supplement* and *Federal Rules Decisions*) while the Bender product contains only New York cases.

Even those cases that appear in both Bender's product and West's case reporters are organized differently. For example, a viewer

(Cont'd)

Appendix A

Star pagination (in addition to revealing the page location of the text of judicial opinions) may incidentally reveal to the reader how *the reader* could create a copy of West's arrangement by various computer key operations; but by the same token, if the CD-ROM discs were published on paper in the same order as the cases are embedded in the CD-ROM disc, a reader so minded could assemble a "copy" of the West arrangement by use of scissors. *Cf. Horgan v. MacMillan, Inc.*, 789 F.2d 157, 162 (2d Cir. 1986) (noting that "the standard for determining copyright infringement is not whether the original could be recreated from the allegedly infringing copy, but whether the latter is 'substantially similar' to the former").

True, CD-ROM technology is different from paper, for as West points out, the arrangement of judicial opinions in a CD-ROM disc does not correspond necessarily to how the information will be displayed or printed by the user, because

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(Cont'd)

who retrieves *Knitwaves, Inc. v. Lollytogs Ltd.*, 71 F.3d 996 (2d Cir. 1995), in Bender's product will find that the case preceding *Knitwaves* and the case following it are not published in the West case reporter, and that the Second Circuit case preceding it in the *Federal Reporter* volume, *Aetna Cas. & Sur. Co. v. United States*, 71 F.3d 475 (2d Cir. 1995), is not nearby in the Bender product. Or to give another example, a viewer who retrieves *Delchi Carrier SpA v. Rotorex Corp.*, 71 F.3d 1024 (2d Cir. 1995), on the Bender system will find *United States v. Muniz*, 71 F.3d 93 (2d Cir. 1995), a case that begins 931 pages earlier in the West reporter, following it.

Nor is the arrangement of Bender's New York state court opinions similar to West's. West organizes them initially by court while Bender organizes them strictly by date.

the file-retrieval system allows users to retrieve cases in a variety of ways. *See* Robert C. Denicola, *Copyright in Collections of Facts: A Theory for the Protection of Nonfiction Literary Works*, 81 Colum. L. Rev. 516, 531 (1981) ("[I]t is often senseless to seek in [electronic databases] a specific, fixed arrangement of data."). But having rejected West's argument under § 101, we can conclude that the arrangement of plaintiffs' work is the sequence of cases as embedded on the plaintiffs' CD-ROM discs and as displayed to the user browsing through plaintiffs' products. That sequence is not substantially similar to West's case reporters. There is no evidence that Bender and HyperLaw's case-retrieval systems allow a user to browse the cases in the West arrangement without first taking steps to create that arrangement. Thus, an actionable copy of West's sequence of cases, *i.e.*, a work with a substantially similar arrangement fixed in a tangible medium (probably a print-out of the cases), could be created by a user of the CD-ROM discs, but only by using the file-retrieval program as electronic scissors. We cannot find that plaintiffs' products directly infringe West's copyright by inserting star pagination to West's case reporters.

3. Contributory Infringement

Notwithstanding the absence of substantial similarity, a database manufacturer may be liable as a contributory infringer (in certain circumstances) for creating a product that assists a user to infringe a copyright directly. West has hypothesized that users of Bender and HyperLaw's products, using star pagination and the search functions of the CD-ROM products, will retrieve and print cases in the order in which they appear in West's case reporters. *See* Affidavit of

Michael A. Trittipo ¶ 5, Joint Appendix at 1287. A CD-ROM disc user who replicated the West compilation in that way would be an infringer. But West has failed to identify any primary infringer, other than Mr. Trittipo, West's counsel. *See Cable/Home Communication Corp. v. Networks Prods., Inc.*, 902 F.2d 829, 845 (11th Cir. 1990) ("Contributory infringement necessarily must follow a finding of direct or primary infringement."); 2 Paul Goldstein, *Copyright* § 6.0 (1996) ("For a defendant to be held contributorily or vicariously liable, a direct infringement must have occurred.").

Assuming there is a class of primary infringers, then a party "who, with knowledge of the infringing activity, induces, causes, or materially contributes to the infringing conduct of another, may be held liable as a 'contributory' infringer." *See Gershwin Publ'g Corp. v. Columbia Artists Management, Inc.*, 443 F.2d 1159, 1162 (2d Cir. 1971). Two types of activities that lead to contributory liability are: (i) personal conduct that encourages or assists the infringement; and (ii) provision of machinery or goods that facilitate the infringement. *See ITSI T.V. Prods., Inc. v. California Auth. of Racing Fairs*, 785 F. Supp. 854, 861 n.13 (E.D. Cal. 1992). West argues that Bender and HyperLaw's sale of their CD-ROM products falls within the second category.

However, as *amicus* United States notes, the provision of equipment does not amount to contributory infringement if the equipment is "capable of substantial noninfringing uses," including uses authorized under the fair use doctrine. *See Sony Corp. of Amer. v. Universal City Studios, Inc.*, 464 U.S. 417, 442, 104 S. Ct. 774, 788-89 (1984). In determining whether liability is foreclosed by substantial noninfringing

uses, the Supreme Court in *Sony* emphasized that the alleged contributory infringer did not influence or encourage unlawful copying with the equipment it provided. *Id.* at 438, 104 S. Ct. at 787; *see also Cable/Home Communication Corp.*, 902 F.2d at 846.

The arrangement of cases in the West case reporters, however meticulous and thoughtful, is of small assistance to the primary use of these products — searching for cases, and retrieval. After all, the useful order of access is almost always determined by the research goal of each user rather than the publisher's sequencing (a compilation of law cases being not much like a musical medley or a sonnet sequence). And the primary use of West's pagination in plaintiffs' products is to allow the user to refer to the location of a particular text within the West case reporters as has become standard practice in the legal community. West concedes that use of its volume and page numbers for pinpoint citation purposes is at least a fair use (if it even amounts to actionable copying). There is no evidence that plaintiffs have encouraged the users of their products to reproduce West's arrangement. In fact, the CD-ROM products provide no easy means for using the star pagination to create a substantially similar arrangement; a user must retrieve each case, one at a time, in the order in which they appear in the West volume, and then print each one. What customer would want to perform this thankless toil? We conclude that plaintiffs' products have substantial, if not overwhelming, noninfringing uses, and that the plaintiffs are not liable as contributory infringers.[22]

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22. In addition to the reasons discussed above, plaintiffs cannot be subject to liability for vicarious infringement because they cannot (Cont'd)

West distinguishes *Sony* on the ground that that case involved a neutral "staple article of commerce" (a video tape recorder) which "is sold without reference, connection, or linkage to any copyrighted work," while plaintiffs' CD-ROM discs "contain . . . exact copies of West's proprietary arrangements permanently embedded within its database." This argument bespeaks direct infringement (a claim we have already rejected for other reasons) rather than contributory infringement. In any event, we think the "substantial noninfringing use" test is as applicable here as it was in *Sony*. The Supreme Court applied that test to prevent copyright holders from leveraging the copyrights in their original work to control distribution of (and obtain royalties from) products that might be used incidentally for infringement, but that had substantial noninfringing uses. *See Sony*, 464 U.S. at 440-42, 104 S. Ct. at 788-89; *see also* 2 Goldstein, *supra* § 6.1.2 ("To hold that the distribution of such materials or equipment constitutes contributory infringement, and thus to bring them within the scope of the copyright owner's control, may enable the copyright owner to influence the price and availability of goods that are not directly connected to its copyrighted work."). The same rationale applies here: West has a thin copyright in its compilations, which it seeks to leverage to protect its pagination (an element of its compilation that is unprotected altogether) and thereby to foreclose (or draw royalties from) CD-ROM products that might be used incidentally to replicate West's arrangement of cases, but that

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(Cont'd)
control the conduct of the direct infringer. *See Shapiro, Bernstein & Co. v. H.L. Green Co.*, 316 F.2d 304, 307 (2d Cir. 1963) (holding that vicarious infringement requires that defendant possess the right and ability to supervise the infringing conduct).

have substantial, predominant and noninfringing uses as tools for research and citation.[23]

C

We differ with the Eighth Circuit's opinion in *West Publishing Co. v. Mead Data Central, Inc.*, 799 F.2d 1219 (8th Cir. 1986). In that case, LEXIS (an on-line database provider) announced plans to star paginate its on-line version of cases to West case reporters. West claimed that the star pagination would allow users to page through cases as if they were reading West volumes, and in that way copied West's arrangement of cases. *Id.* at 1222. The court held that "West's arrangement is a copyrightable aspect of its compilation of cases, that the pagination of West's volumes reflects and expresses West's arrangement, and that MDC's intended use of West's page numbers infringes West's copyright in the arrangement." *Id.* at 1223. Even if it was not "possible to use LEXIS to page through cases as they are arranged in West volumes," the court said that insertion of comprehensive star pagination amounted to infringement:

> Jump cites to West volumes within a case on LEXIS are infringing because they enable LEXIS

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23. Even if the "substantial noninfringing use" test does not apply beyond the context of staple articles of commerce, it is hard to say that plaintiffs, with knowledge of the infringing activity, "materially contribute[d]" to the direct infringement of West's copyright, *see Gershwin Publ'g Corp.*, 443 F.2d at 1162, because no showing of knowledge has been made, the infringement itself (if done) would have been pointless, and the predominant uses of plaintiffs' products are noninfringing.

> users to discern the precise location in West's arrangement of the portion of the opinion being viewed. . . .
>
> With [LEXIS's] star pagination, consumers would no longer need to purchase West's reporters to get every aspect of West's arrangement. Since knowledge of the location of opinions and parts of opinions within West's arrangement is a large part of the reason one would purchase West's volumes, the LEXIS star pagination feature would adversely affect West's market position. "[A] use that supplants any part of the normal market for a copyrighted work would ordinarily be considered an infringement." S. Rep. No. 473, 94th Cong., 1st Sess. 65 (1975) . . . .

Id. at 1227-28; *see also Oasis Publ'g Co. v. West Publ'g Co.*, 924 F. Supp. 918, 922-25 (D. Minn. 1996) (holding that (i) *West Publishing Co.* had not been overruled by *Feist*'s disavowal of the "sweat of the brow" doctrine, and (ii) that even if it had, "the internal pagination of [West's reporter] is part of West's overall arrangement, and similarly protected").

The Eighth Circuit in *West Publishing Co.* adduces no authority for protecting pagination as a "reflection" of arrangement, and does not explain how the insertion of star pagination creates a "copy" featuring an arrangement of cases substantially similar to West's — rather than a dissimilar arrangement that simply references the location of text in West's case reporters and incidentally simplifies the task of someone who wants to reproduce West's arrangement of

cases. It is true that star pagination enables users to locate (as closely as is useful) a piece of text within the West volume. But this location does not result in any proximate way from West's original arrangement of cases (or any other exercise of original creation) and may be lawfully copied. So any damage to the marketability of West's reporters resulting from such copying is not cognizable under the Copyright Act. It is interesting that the Eighth Circuit's quotation from the Senate Report on supplanting use is drawn from the Report's discussion of the fair use doctrine, which applies only when the copyright holder has first demonstrated infringement of a protectable element of its work.

At bottom, *West Publishing Co.* rests upon the now defunct "sweat of the brow" doctrine. That court found that LEXIS had infringed West's copyright simply because it supplanted much of the need for West's case reporters through wholesale appropriation of West's page numbers. In reaching this conclusion, the court (i) noted that LEXIS's appropriation would deprive West of a large part of what it "[had] spent so much labor and industry in compiling," *West Publ'g Co.*, 799 F.2d at 1227, and (ii) cited *Hutchinson Telephone v. Fronteer Directory Co.*, 770 F.2d 128 (8th Cir. 1985), *see West Publ'g Co.*, 799 F.2d at 1228, which in turn relied on *Leon v. Pacific Telephone & Telegraph Co.*, 91 F.2d 484 (9th Cir. 1937), and *Jeweler's Circular Publishing Co v. Keystone Publishing Co.*, 281 F. 83 (2d Cir. 1922) — classic "sweat of the brow" cases that were overruled in *Feist*. Thus, the Eighth Circuit in *West Publishing Co.* erroneously protected West's industrious collection rather than its original creation. Because *Feist* undermines the reasoning of *West Publishing Co.*, *see United States v. Thomson Corp.*, 949 F. Supp. 907, 926 (D.D.C. 1996), we decline to follow it.

Appendix A

CONCLUSION

We hold that Bender and HyperLaw will not infringe West's copyright by inserting star pagination to West's case reporters in their CD-ROM disc version of judicial opinions. The judgment of the district court is affirmed.

Appendix A

Matthew Bender & Co. and Hyperlaw, Inc. v. West Publishing Co.

97-7430

Sweet, D.J.

I respectfully dissent.

This appeal from the grant of summary judgment in favor of the appellee Bender presents challenging issues, the extent of copyright protection for compilations under the §501(a) and §106(1) and (3) of Title 17, U.S.C., what constitutes copying in the electronic age, and the propriety of summary judgment in determining issues of fair use. Because the majority reaches conclusions on the first two issues, with which I disagree, and consequently failed to address the third issue, I feel required to dissent, emboldened by the holdings of the three other courts which have considered the issue, *West Pub. Co. v. Mead Data Central, Inc.*, 616 F.Supp.1571 (D.Minn. 1985), *aff'd*, 799 F.2d 1219 (8th Cir. 1986), *cert. denied*, 479 U.S. 1070 (1987); *Oasis Pub. Co. v. West Pub. Co.*, 924 F.Supp. 918 (D.Minn. 1996), and reached conclusions contrary to those stated by the majority. By concluding that page numbers in the context of the West citation system are facts rather than an expression of originality the majority permits the appellee Bender and the intervenor Hyperlaw to appropriate the practical and commercial value of the West compilation.

The West page numbers which are inserted by appellee Bender in the text of each of its CD-ROM disks[1] by star

1. Bender's CD-ROMs obtain the text of the opinions they report from Lexis, opinions which are, of course, in the public domain).

pagination result from the totality of the West compilation process which includes its concededly original and copyrightable work, *i.e.* attorney description, headnotes, method of citation and emending of parallel or alternate citations. These result in a compilation work with page numbers assigned mechanically. The West page numbers and the corresponding Bender and Hyperlaw star pagination are the keys which open the door to the entire West citation system which as the majority noted is an accepted, and in some instances, a required element for the citation of authorities.

The majority initially assumes the copyrightability of the West work but cites the statement in *Feist Publications, Inc., v. Rural Telephone Service Company, Inc.*, 499 U.S. 340 (1991), that "a factual compilation is eligible for copyright if it features an original selection or arrangement of the facts, but the copyright is limited to the particular selection or arrangement. In no event may copyright extend to the facts themselves." 499 U.S. 340 at 350-51, and its conclusion that the compiler's copyright is "thin" permitting a subsequent compilier to use facts "so long as the competing work does not feature the same selection and arrangement." *Id.* By characterizing star pagination as a fact, rather than as an essential part of the selection or arrangement the majority deprives the West pagination of its originality and consequent copyright protection.

The majority concludes that because the volume and page numbers are "unprotected features" of West's compilation process, they may be copied without infringing West's copyright. The majority reasons that, pursuant to the Copyright Act, the "embedding of the copyrightable work in a tangible medium does not mean that the features of the

tangible medium are also copyrightable." Therefore, West's arrangement of cases is protectible, but the page numbers are not. The classification of page numbers as physical embodiment rather than the result of originality is the foundation stone of the majority's interpretation of the authorities dealing with the copyright statute.

In my view West's case arrangements, an essential part of which is page citations, are original works of authorship entitled to copyright protection. Comprehensive documentation of West's selection and arrangement of judicial opinions infringes the copyright in that work.

This reasoning is consistent with *Feist*. As discussed above, the majority notes that the compiler's copyright is "thin." *Feist*, 499 U.S. 340 at 350-51. Therefore, "a subsequent compiler remains free to use the facts contained in another's publication to aid in preparing a competing work, *so long as the competing work does not feature the same selection and arrangement*." *Id.*, at 349 (emphasis added). In this case, allowing plaintiffs to use the page numbers contained in West's publication enables them to feature West's same selection and arrangement.[2] Indeed, were it not

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2. It is immaterial that plaintiffs' products may display other arrangements as well as West's. The capability of a CD-ROM to display more than one arrangement does not make the encoding of an original selection and arrangement such as West's any less of an infringement.

It is also irrelevant that plaintiffs' products may contain material beyond West's selection and arrangement. Infringement is determined by how much of the copyright owner's work was taken, not by what else the copier's work contains. *See e.g., Warner Bros., Inc. v. American Broadcasting Cos., Inc.*, 720 F.2d 231, 241 (2d Cir. 1983).

for the ability to reproduce West's arrangement, its pagination would be of limited (if any) use.

According to *Feist*, "[t]he originality requirement articulated in the The Trade-Mark Cases and Burrow-Giles remains the touchstone of copyright protection today . . . . It is this bedrock principle of copyright that mandates the law's seemingly disparate treatment of facts and factual compilations." 499 U.S. 340 at 347 (citations omitted).

Here the pagination results from West's arrangements, selections, syllabi, headnotes, key numbering, citations and descriptions. The page number, arbitrarily determined, is the sole result of the West system, appears nowhere else, and is essential to its coordinated method of citation. It is, so to speak, an original fact resulting from West's creativity.

Having determined that the West page numbers are not original, but factual, the majority then deals with West's contention that by use of the CD-ROM technology plaintiffs have violated §101's prohibition against copying its selection and arrangement and defeats this contention by noting that West has conceded fair use of parallel citation as to the first page of a report. It rejects Chief Judge Magnuson's view: "Having gotten the inch under the conceded fair use of parallel citation to the first page of each case," plaintiffs are not "thereby entitled to take the entire mile in star citation to every page . . ." *Oasis Publishing Company, Inc. v. West Publishing Company, Inc.*, 924 F. supp. 918, 926 (D. Minn. 1996).

The comprehensive copying of first-page parallel citations alone, even in a competing work, is arguably fair

use because citations do not substantially supplant the need for the West volumes. Conversely, complete electronic cross-pagination fulfills the same market demand as West's volumes. As the *Oasis* Court explained, "Although with either the parallel cites or an internal cite from each case a user could sort West's cases and determine West's arrangement, the former does not utterly supplant the need for West's product while the latter does." *Id.* The view of the *Oasis* court correctly assesses the reality in my view.

According to the majority, a more fundamental reason to reject West's argument that plaintiffs have copied its arrangement is that the arrangement can be perceived only after a person uses the machine to rearrange the material.

Some of the most seminal developments in copyright law have been driven by technological change. There was a time when people questioned whether photographs, *see Burrow-Giles Lithographic co. v. Sarony*, 111 U.S. 53 (1994), or advertisements, *see Bleistein v. Donaldson Lithographic Co.*, 188 U.S. 293 (1903), were copyrightable. Here again it is necessary to reconcile technology with pre-electronic principles of law. Clearly, plaintiffs' CD-ROM disks are not "copies" in the traditional sense. Yet, plaintiffs provide the ability for a user to push a button or two and obtain West's exact selection and arrangement. This technological capacity presents a new question. The majority's answer threatens to eviscerate copyright protection for compilations.

West's position is that plaintiffs directly infringe. "[T]he owner of a copyright . . . has the exclusive rights to . . . reproduce the copyrighted work in copies." 17 U.S.C. §106.

The reproduction must be in a "material object . . . in which a work is fixed . . . from which the work can be perceived . . . either directly or with the aid of a machine or device." 17 U.S.C. §101 (definition of "Copies"). Closely read, the word "work" in the statutory text refers in the first instance to the infringing work, and in the second instance to the infringed work. Accordingly, plaintiffs' CD-ROMs infringe West's reproduction right if the information is "fixed" in the CD-ROM (which it is) and if West's protected selection and arrangement "can be perceived . . . with the aid of a machine."

Broadly read, plaintiffs' inclusion in their work of West's precise page break information permits the Reporters to be "perceived" by the aid of a computer. Plaintiffs' inclusion of the selection and arrangement software feature make the perception easy. Even if the focus is placed upon the intervening deliberate act by the Bender or Hyperlaw CD-ROM user, liability might attach for contributory infringement, which requires (1) actual knowledge of direct infringement, (2) the ability to police the infringing conduct and (3) derivation of substantial benefit from the actions of the primary infringers. *See Gershwin Publishing Corp. v. Columbia Artists Management, Inc.*, 443 F.2d 1159, 1163 (2d Cir. 1971).

Finally, the majority dismisses *West Publishing Co.* on which I rely for lack of authority. By its *ipse dixit*, that location by star pagination does not result from the concededly original West arrangement of cases, the majority rejects the result obtained by the Eighth Circuit and attributes it to the pre- *Feist*, "now defunct 'sweat of the brow' doctrine," an attribution not warranted by the reliance of the

Eighth Circuit upon West's originality. The question of whether or not *Feist* overruled *West* was argued and carefully considered by the *Oasis* court. Creativity was the issue, and I subscribe to Chief Judge Magnuson's view of the interrelationship between *West* and *Feist*.

While the Eighth Circuit did take note of the considerable "labor" exercised by West, it did so in conjunction with a consideration of West's "talent and judgment" in organizing its compilations. *See West Publishing Co.*, 799 F.2d at 1226 (concluding that West's arrangement is the result of "considerable labor, talent and judgment").

The Eighth Circuit applied essentially the same creativity standard articulated and applied in *Feist*. Instead of a mere "sweat of the brow" analysis of West's selection and arrangement of cases in the National Reporter System, the Court considered the "originality and intellectual creation" requirements of the arrangement. *West Publishing Co.*, 799 F.2d at 1225-26.

In *West Publishing Co.*, the Eighth Circuit's persuasively reasoned that (i) comprehensive pagination, when linked to the text of a compilation, is copyrightable in terms of originality because it expresses the compiler's expression and arrangement, and (ii) a compilation's selection and arrangement is copied when comprehensive cross-pagination is inserted into an electronic database containing the compilation's text. 799 F.2d at 1227-28.

Because of the views set forth above, I believe the District Court erred in not granting copyright protection to West. In

addition, the District Court granted summary judgment for plaintiffs on their contention that their acts were permitted as "fair use." The resolution of this issue, factually contested, required a trial and the reversal of the grant of summary judgment. *See, e.g., Ringgold v. Black Entertainment Television, Inc.*, 126 F.3d 70 (2d Cir. 1997); *see also Wright v. Warner Books, Inc.*, 953 F.2d 731, 735 (2d Cir. 1991) (stating that while the copyright holder is not protected from summary disposition of claims where there are no material factual disputes, the "the fact driven nature of the fair use determination suggests that a district court should be cautious in granting Rule 56 motions in this area").

For these reasons I believe the grant of summary judgment granting the declaratory judgment requested by Bender was error, and I therefore dissent from the majority's affirmance of that judgment.

APPENDIX B — AMENDED ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK DATED DECEMBER 4, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

94 Civ. 0589 (JSM)

MATTHEW BENDER & COMPANY, Inc.,

Plaintiff,

and

HYPERLAW, Inc.,

Intervenor-Plaintiff,

–v.–

WEST PUBLISHING COMPANY,

Defendant.

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95 Civ. 4496 (JSM)

MATTHEW BENDER & COMPANY, Inc.,

Plaintiff,

–v.–

WEST PUBLISHING COMPANY,

Defendant.

Appendix B

AMENDED ORDER

JOHN S. MARTIN, Jr., District Judge:

In these related copyright actions, the parties' motions for summary judgment were argued before the Court on November 22, 1996. For the reasons stated at oral argument, plaintiff Matthew Bender's motion for summary judgment is granted and defendant West's cross motion is denied.

The Court also heard argument on Hyperlaw's motion and West's cross motion for summary judgment. Hyperlaw's motion for summary judgment is granted only with regard to the pagination issues that parallel Matthew Bender's motion for summary judgment. For the reasons stated at oral argument, West's motion for summary judgment is denied. Hyperlaw and West must submit a pre-trial order to this Court by January 17, 1997. The trial on the remaining issues will begin January 27, 1997 at 9:30 a.m. in Courtroom 15-C.

SO ORDERED.

Dated: New York, New York
December 4, 1996

s/ John S. Martin, Jr.
JOHN S. MARTIN, JR., U.S.D.J.

* * * *

APPENDIX C — TRANSCRIPT OF PROCEEDINGS OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK DATED NOVEMBER 22, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

94 Civ. 0589(JSM)

MATTHEW BENDER & CO.,

Plaintiff,

v.

WEST PUBLISHING, INC.

Defendant.

HYPERLAW, INC.,

Intervenor-Plaintiff,

v.

WEST PUBLISHING, INC.,

Defendant.

November 22, 1996
2:35 p.m.
New York, N.Y.

Appendix C

Before:

HON. JOHN S. MARTIN, JR.,

District Judge

* * *

[2] (In open court)

THE COURT: Let me start by saying I have reviewed the papers, and when I tell my law clerk to set an hour down for an argument I don't really expect to have to respond to three different calls from lawyers telling them I really did mean what I said. My law clerks have other things to do than to respond to phone calls and I really don't appreciate that type of conduct.

Now, let's talk about the issues. It seems to me that for the sake of this argument, we can take it assumed that when West puts together a volume of the Federal Reporter there is a compilation that is entitled to copyright protection. However, I think that is not what's at issue in this case.

The issue is, as I see it in this case, starts, to quote from Judge Leval's opinion in CC Information Services, "The facts set forth in the compilation are not protected and may be freely copied. The protection extends [3] only to those aspects of the compilation that embody the original creation of compiler."

Now,let's talk first about the Matthew Bender case. There is no question that if Matthew Bender took a volume of F.3d,

ran it through its xerox machine or its computer and printed it out and called it Bender's Federal Third Reporter, that that would violate West's copyright.

But it seems to me to start with the proposition that the title and the citation to a West reported decision are facts, facts that anybody is free to use. It is a fact that the opinion of Judge Leval is reported at 44 F.3rd, 61. That is not as a result of the creative activity that West engaged in to put that page at, they didn't decide that the best place for the Leval opinion is at 44 F.2d page 61. They decided that a group of cases should be compiled together in a certain order, and a consequence of that compilation was that the case with that title appeared at that page. That's a fact.

It is a fact that the words in Judge Leval's opinion beginning "compilations that devise new and useful selections" and ending with the words "McLean, Hunt" appear on page 66 of 44 F.2d. That's a fact.

Again, that is a consequence of the way the compilation is put together, but it is not any part of the aspect of the compilation that embody the original creation [4] of the compiler.

Why don't I have West's counsel address themselves to that part of the question.

MR. MUSILEK: Your Honor, I am Joe Musilek and I will be speaking on behalf of West this afternoon.

Addressing just those first two questions, your Honor, there is a difference in the law between pre-existing facts

which exist independent of the work and facts which result as a result of the creation of the work. And to make the most easiest example I can think of, everyone has an address, a name and a telephone number regardless of whether or not those are ever compiled into a telephone directory. However, a slip opinion from Judge Leval does not have a volume number, West Reporter publication name and page number independent of the compilation and creation of an arrangement by West in Federal Supplement or Federal Reporter.

Your Honor, a novel which is clearly completely comprised of the original writings of the author is clearly copyrightable and yet it is also true that I could say it is a fact that this novel says this.

THE COURT: But every word in the novel is the author's original creation. That's not case you have here.

MR. MUSILEK: Your Honor, after the novel is created it is in fact the case. Those facts did not exist [5] prior to their being written down and put into a novel but after that they are fact. And if I start off by saying it is a fact that this novel says, and then reproduce the novel, I cannot rely on, as my defense, that I have only stated a fact, your Honor. You have taken the say essence of the protectable expression.

Here —

THE COURT: The essence of the protectable expression here, the essence of the protectable compilation has nothing to do with the accident as to the page upon which a particular portion of text falls.

MR. MUSILEK: Your Honor, the arrangement has everything to do with where case reports are found in volumes and how they are displayed and how they are reported by West.

It is a group of slip opinions that come into West that are arranged in a volume. If not for the citation, if not for the very material that's copied by Matthew Bender, there would be no arrangement.

I think I would cite to you, your Honor, back to the CC case, which is very good on this point in stating that very clearly, obviously you have to have facts and you can't copyright them; but to the extent a compilation, the protectable expression in a compilation is an arrangement, anything that copies that arrangement is indeed copying the [6] protectable expression. That really in a nutshell is the sum and substance of West's position on star pagination, your. And you cannot rely on the defense that these are facts because they are not the kind of pre-existing facts dealt with by the Supreme Court in Feist. They are not the kind of pre-existing facts, namely what a used car is sold for at auction in the CCC case.

THE COURT: In CCC, Judge Leval I'm not sure would have found what the used car price was alone. It was because that was combined with certain judgments by the author as to those valuations that he found them protected.

MR. MUSILEK: I think that's correct. But what the judge in CC also found, what the court found in that decision was that an arrangement, in other words the ordering by even

something as simple as the geographic region from which the car sales were compiled, was sufficient.

THE COURT: Are you telling me every time I write an opinion in which I give the citation to a West opinion, I violate West's copyright because I put down the name of the case and the citation?

MR. MUSILEK: Absolutely not, your Honor, because you are citing to a West Reporter. You are referring the reader to a West Reporter.

And in the singular sense what we are talking [7] about here —

THE COURT: What does that have to do with whether or not that citation is protectable?

MR. MUSILEK: Because, your Honor, the issue here isn't a compilation copyright. It is not any one piece of it that is claimed to be copyrightable. It is a protectable expression of the entire work as a whole.

The works we are talking about here are advance sheets and bound volumes of a reporter, not an individual citation. So no issue even arises when you simply cite someone to a citation in a West book. This is only an issue in this case in star pagination because you are talking about providing someone else with a copy of the entirety of the West arrangement.

So it goes far beyond. And I think it is truly a red herring for Matthew Bender or Hyperlaw to try to make reference of

the need of the bar to access to the law, the need of judges and lawyers to cite to West cases. That is not the issue here. All that is in issue here is whether a commercial, for-profit competitor of West may copy West's arrangements in their entirety.

THE COURT: They are not copying your arrangements in their entirety. All they are doing is making reference in copies that they make. Matthew Bender doesn't copy any of the text that's in West. All it is [8] doing is making reference to a specific cites within a West Reporter.

MR. MUSILEK: Your Honor, that is not what they are doing. What they are attempting to do is supplant the market for West's books by providing a copy —

THE COURT: That's absolutely true. But they are not —

Look, I think the best case for you would be if they took the Federal Rules decision and put out a CD ROM called Bender's Federal Rules Decision in which they simply took all of the cases that you have on Federal Rules decisions and used those. That would be using your compilation because they would take the skill that and creativity you used in selecting those cases for publication and using them to their own benefit.

But that's not the case here. They have put on the CD ROM cases that are some reported by West, others that are not.

MR. MUSILEK: Your Honor, that's a very important point and I'm glad you raised it because that's is another red

herring in the law of copyright infringement. Judge Preska, your fellow judge on this bench, in the Robinson case in 1995 addressed that issue. And the point of law which is not in controversy is that it does not matter how much additional other material is in the infringing work. [9] All that matters is how much of the original work did they copy.

You can not get outside of a copyright infringement by copying the West arrangement and then throwing in a bunch of nondispositive orders and scheduling orders and whatever and say: Oh, we have a lot of things West doesn't have.

The point is, your Honor, and I think it is most evidenced most clearly by the Tritippo affidavit submitted in conjunction with this motion, by taking the Matthew Bender product you can recreate an entire volume of case reports from New York Supplement, with every page break, every page number, every volume designation, every publication title name as if you had the West book.

The statutory definition of "copies" in the Copyright Act makes it clear that's an infringement. Nemmer On Copyright, a treatise written by one of the counsel for Matthew Bender says in unequivocable terms that such copying constitutes an infringement when it is input into the computer, and nothing you do thereafter, whether it to be to strip out additional material or add in other noninfringing material can remove the infringement that occurs at that point.

The Tritippo affidavit shows that using the Matthew Bender product you can print out volumes of West [10] Reporters, you can printout individual pages of West

Reporters. That can only be because they have copied West's arrangement. Without copying West's arrangement, that could not be done.

THE COURT: Sure it could because the computer could sort anything but criteria.

MR. MUSILEK: Your Honor, I can go out and knock on doors and come up with names and addresses and telephone numbers for everyone on the block. I defy Matthew Bender's counsel to stand up and tell you that they can go out without reference to a West book and find those facts outside of a West book and star page to West Reporters. It cannot be done. That is the critical difference between the facts that are addressed in Feist and the protectable expression that is at issue when you talk about star pagination.

THE COURT: Let me hear from counsel to Matthew Bender.

MR. CHU: Good afternoon, your Honor. Morgan Chu and Elliot Brown from Irell & Manella for Matthew Bender. The principal argument being made by West is that there is protectable copyrightable expression in a series of Arabic numerals that are in order, 1, 2, 3, 4, and are inserted by a computer. It is an astounding position and we have nothing to add to our briefs.

[11] THE COURT: All right. Let's talk then about the Hyperlaw. Let me ask counsel for West the following question.

Appendix C

Assume Justice O'Connor said to her law clerk: I'm giving a lecture over Georgetown Law School tonight and I want the students to have a copy of my opinion in Feist v. Rule Telephone. Go to the Supreme Court Reporter, just copy the caption and then that portion of the report that begins "O'Connor, J. delivered the opinion of the court.

That is done.

Has Justice O'Connor violated your copyright?

MR. MUSILEK: Justice O'Connor clearly has not for two reasons.

One, under the standard of de minimus copying, which we cite in our briefs and as the Warner v. ABC case in the Second Circuit which stands for that proposition, de minimus copying even of copyrighted material is not an infringement, does not rise to the level of an infringement.

Two, it would certainly be a fair use for a judge or justice of a court to photocopy and use in connection with official duties or in connection with teaching, which is of course one of the expressly enumerated exceptions stated in the Fair Use statute; but in either event, it is either de minimus copying or —

THE COURT: So the entire text of the opinion?

[12] MR. MUSILEK: Either de minimus copying or it is a fair use.

Now, your Honor, just so can make clear the hypothetical here, if in fact there is nothing in that case report as published by West that did not issue from the court, then there is with respect to taking one case report, taking one case, there is nothing copyrightable to be taken. West has never claimed, and this case is not at all about, any claim by West to any portion of the text of a judicial decision issued by a court. Whether it be a correction issued by a court or the original language of the original opinion issued by the court. That is not the issue.

If you look carefully at a Supreme Court Reporter, that is the West publication case reports you will see, however, it is editorially enhanced text. There will be headnote reference numbers, there will be parallel and alternative citations which are creatively selected and compiled and arranged by attorney editors at West from among a myriad variety. Especially with Supreme Court decisions, they are reported and cited in hundreds of places.

You will find that West editors have chosen with parallel citation or replacement citations to include in that case report. If you take and start adding those things in and you start talking about a commercial competitor of West copying all of the text —

[13] THE COURT: Are the parallel citations any substantially different than the street address of a subscriber to a phone?

MR. MUSILEK: Actually not, your Honor. It is not the parallel citation text that is copyrightable. It is the selection

and arrangement and coordination of the parallel citation in the case report. And I always want to bring the court back to that distinction because it is so important in this case.

There is protection both for original creative texts and there is protection for any selection, coordination or arrangement of pre-existing material. With respect to parallel citations, we are talking about the collection, selection, coordination and arrangement of pre-existing facts, i.e., the citation as that case appears.

However, your Honor, that's very different when you talk about copying one case report or making reference to one parallel citation from a commercial competitor taking the West books and scanning them wholesale, which is what Hyperlaw in testimony, in deposition in this case has said it intends to do if you authorize it.

THE COURT: If they can do it to one case why can't they do it to them all?

MR. MUSILEK: Because that is when you start talking about the issue that goes beyond de minimus copying [14] and you get into the work as a whole. And I think if I understood, your initial presumption was that the West works as a whole are copyrightable compilations.

THE COURT: That's correct.

MR. MUSILEK: So you have a continuum.

THE COURT: To the extent that they made selections of what order in which they are going to put the opinions.

But it is not in the context of what is in each individual opinion, and that's where I go back to what I started with from Judge Leval. The protection extends only to those aspects of the compilation that embody the original creation of the compiler.

MR. MUSILEK: Your Honor, I would cite you to Judge Leval's Law Review article which is cited in our brief where he makes the very important point that there can be justifications for a taking a little bit of a work which cannot be used to justify taking more of the work. And the issue with commercial competitors such as Matthew Bender and Hyperlaw is that they are taking entire arrangements and entire compilations.

So when you are talking about, for instance, parallel citation and alternative citations selected and compiled by West, if they take them out of one case report it is no big dial, it is de minimus fair use, however you want to characterize it. But when they take volume after [15] volume and use the need to obtain corrections, for instance, as the excuse for scanning entire case reports, your Honor, you are on a continuum now where you get into a very hazy fact situation as to what they are taking, how much they are taking and what effect it is going to have on West, which are all directly relevant fact issues as to whether or not there has been a copyright infringement.

It cannot be dealt with in this manner on summary judgment, your Honor. It simply cannot. At the one end of the continuum where you are talking about scanning whole case reports it can be, and the court can find, as other courts have all found, that that's an infringement.

Appendix C

At the far end of the —

THE COURT: What other courts have found that?

MR. MUSILEK: We cite a number of them, your Honor, in our briefs, but there is a Walt Disney animation case.

THE COURT: Nothing to do with case reports?

MR. MUSILEK: No, your Honor, I do not believe there is a scanning decision on case reports other than a consent judgment in Atlanta where Judge Shoop found based on the consent of the defendant after it had been found out that scanning was in fact an infringement. But that was not a contested proceeding.

But the principle applies, your Honor. [16] Intermediate copying and scanning is infringement.

THE COURT: If you had a copyrightable product to begin with, but I have real question that you have a copyright in my opinions if you publish in your volume and that you can stop anybody from copying my opinion.

MR. MUSILEK: We have never tried to stop anybody from copying your opinions. They can get them from the court, from Lexis, from the Internet. They can't scan them out of a West book.

THE COURT: That's why I have a problem.

MR. MUSILEK: Your Honor, that's the essence of the CC case. The CCC case says you can go and make the same

compilations, you can get the same data as to used-car values and create your own publication, but you can't copy the McLean Reports and say that they are just facts and I can do it myself.

THE COURT: That's true. But it would be true if you added something to my opinion.

Now, you may clean up my citations, but I don't think you've added anything substantial to my opinion that gives you a copyright interest in my opinion that would prevent somebody from scanning it out of your text.

MR. MUSILEK: Your Honor, I don't disagree as long as we are talking about a single case report. But again, the work is a copyrightable work as a whole.

[17] THE COURT: But that's opinion and you don't have any more right to Judge Wood's opinion or Judge McKenna's opinion or Judge Sand's opinion when you put them all together.

MR. MUSILEK: Your Honor, that's not true because at that point we have compiled them and we have a protective interest in the compilation.

THE COURT: But that doesn't give you any protectable interest in the text of any one of those opinions.

MR. MUSILEK: It does with respect to things like headnote reference numbers, parallel citations, synopsis, headnotes, all of the various material which clearly is original to West.

If you take a little of it, that's one issue, perhaps de minimus. If you start taking all of it out of the entire volumes you are doing massive, substantial copying of designated portions of original material.

THE COURT: You are taking advantage of the sweat of West's brow.

MR. MUSILEK: Absolutely not. Not in the least. It is a matter of copying protectable expression and that is the whole arrangement of copyrights. Of course it takes sweat, it takes labor to compile something and arrange it, but it takes intellectual labor.

[18] What the court protects is the intellectual labor, not the physical labor. It is not the labor of clerical people who put the parallel citation by keying it into the computer after the attorney-editor has chosen which one to use. It is the selection of which one to use and where to put it that involves intellectual effort. That is something that cannot be found. I defy —

THE COURT: That is what the framers meant in Article 1, Section 8: The progress of science in the useful arts, deciding which parallel citation to use.

MR. MUSILEK: Absolutely, your Honor.

THE COURT: I knew we fought the Revolution for some reason and now I know.

MR. MUSILEK: Your Honor, when this case started three years ago Matthew Bender came into this court and

said: this is a simple case, the Feist case by the Supreme Court has come down and you know what, you can't copyright facts and you can't have a copyrightable arrangement unless it is creative, the West arrangement is not creative and so we can copy it.

two years later there are a series of very favorable Second Circuit decisions, favorable to West, and they are in here turning 180 degrees around and saying forget all that we said about the copyrightability of the compilation, what we're really here to say is that we are [19] not copying it.

Your Honor, that is a lie and it is not true. You cannot look at the Tritippo affidavit where they create West volumes and say we haven't copied the arrangement. That is what they copied.

If they haven't copied that, what have they copied? If you say it is facts, I say, explain how, your Honor, if they can go door to door, go somewhere else and find those facts outside of a West book if they are truly pre-existing facts. They are not pre-existing facts.

Where an alternative or parallel citation is going to go and which one is going to be chosen cannot be ascertained.

You cannot look at Justice O'Connor's slip opinion from the Supreme Court and say which parallel citation, which alternative citations are going to be used, where headnote reference numbers are going to be put, what headnotes are going to be drafted by West, what syllabus will be drafted but West. It doesn't exist absent West's intellectual labor in creating all of them and that is copied by Hyperlaw.

MR. HARTMANN: Your Honor, Carl Hartmann for Hyperlaw.

As is frequently the case with West, we are mixing lots of apples and lots of oranges. Let's go back [20] for a second to the question you asked specifically about the Hyperlaw argument, which is text.

West adds nothing to the Supreme Court text. Period. End of discussion.

Now, it may correct a spelling mistake, although it didn't in the examples it gave. And it may take out parallel citation that the court puts in, or add some, but that's it.

It's a government work. West doesn't dispute that. West, as far as I know, doesn't dispute Section 403 or the language that the Congress stated which underlies 403: 403 is aimed at a publishing practice that while technically justified under the present law has been the object of considerable criticism in cases where government work is published or republished commercially where it has frequently been the practice to add some new matter in the form of an introduction, editing, illustrations, et cetera, and to include a general copyright notice in the name of the commercial publisher suggests publicly that the bulk of the work is not copyrightable and therefore free for use."

What could be more public governmental work than a Supreme Court case, your Honor?

What could be less intellectual, less creative than a parallel cite or citation or a correction to text? I mean,

everything else I think is pretty much in our briefs, [21] your Honor.

Furthermore, now to get to the other question that West is kind of trying to bring into the back door with regard to the Supreme Court Reporter, there is no selection, there is no arrangement. They arrange it in the same way the Supreme Court does. They select it in the same way the Supreme Court does. They say so in their answers. There's not even the minimum. Doesn't even come close on the Supreme Court.

Moving now to — by the way, your Honor, we believe that partial summary judgment, despite whatever else happens here today, partial summary judgment should be granted with regard to both the text and the pagination with regard to Supreme Court Reporters.

moving now to the courts of appeals. West has taken the position that its intellectual value, its creative value is nothing more than cross references. Mr. Musilek just said it.

We've pointed out to text over and over and over, your Honor, and we've said to West, point this Court to one thing you do so that the Court can examine anything you claim is. They have never done it.

We have taken a hundred pages, given it to your Honor. We said: These are the changes they make, tell us differently.

[22] I refer your Honor to West's statements in its opposition to our statement of uncontested fact. It is dribble. There is not one single statement by West about text that it

adds to the first hundred pages of 1 F.3d. Nor has it pointed to anywhere else anywhere else in F.3d or F.2d where into the text of a court's opinion it has added anything of value. Anything.

It says today — I guess what we have devolved to after five years of fighting this issue, what we have basically devolved to I guess is that West is claiming that there's some value in its cross-reference to other books.

I have no answer for that at all, your Honor. I don't. They are taking government works, written by judges.

Furthermore, I know that this has been briefed over and over —

THE COURT: Do you have section 403?

MR. HARTMANN: Page 35 of our reply brief is the Conference Committee report to 403 which is what I was reading from. And 403 is at 34 of the reply brief.

THE COURT: Your reply brief page 35?

MR. HARTMANN: Yes, your Honor, 34 is the text of 403 and 35 toward the bottom is the text of the Conference Committee report. Your Honor, the Conference Committee report describes exactly, word for word, exactly what West does.

[23] Now, your Honor, I know that we have gone over this a half dozen times in the brief and I don't want to belabor

the point, but I think that it is as critical to note West's response to number 81, which is at 40 of our brief. It says "other editor enhancements on comparison of case reports to slip opinions. While it may not be possible to show who authored certain corrections to the text of opinions, West's understanding is that many judges do see to it that corrections made by them are noted in the court's files."

Your Honor, West gets corrections from judges. West puts them into West's version of these opinions. West doesn't have the records, and I know it because I have been through their records, your Honor, everything they say that they have got.

West does not keep the records to tell you what changes were made by judges and which ones were made by West. They are now using this word "suggest." Judges don't really make the changes, you see, they suggest the changes to West. But after they've suggested the changes to West, West puts them into those decisions and West now can't tell you what in that decision West did.

So even if there was the slightest bit of creativity, the slightest bit of value in those hundred pages of 1 F.3d that we have cited your Honor to or anywhere [24] else in F.3d in correcting a word, which is all they've ever done, we don't even know that they did it. There's nothing more that can be said.

Now, with regard to the pagination issue, your Honor, West has told Hyperlaw without any reference to fair use that Hyperlaw can use its first page citations. It has told

everybody else in the world that too. They are just moving the shells around in different ways. The truth is once you know the first page you know everything about the order and arrangement.

With regard to the internal, they say it is done by machine, and even when it isn't, your Honor, we have shown in our brief that those breaks occur in four or five different places. There is no value to the breaks. They are facts. Period. End of discussion. There is nothing else I can add.

THE COURT: What about the head notes?

MR. HARTMANN: The head notes, this is one of those don't-get-me-started things.

The headnotes are sometimes as shown in the affidavit from our expert that's attached here — who is a noted law librarian — are sometimes copied verbatim out of Federal court opinions. When they are, they are text of government works. They can't be copyrighted. Period. End of discussion. The text can't be.

[25] The fact that they order them in the headnotes, fine, that's great. But not the text. Never the text of a Federal work.

THE COURT: The fact is when they do a headnote they put a key number in the opinion.

MR. HARTMANN: Fine. Then you can't copy it without the key number and I can't copy all the stuff —

THE COURT: But you are copying the key number, are you not —

MR. HARTMANN: Not me.

THE COURT: When you scan —

MR. HARTMANN: We don't, your Honor. That's just a bold outright known lie. West has said this over and over and over again. We've put five pages on it in our reply. Hyperlaw does not do intermediate copying.

What we do is take the West document, ablate, redec anything that has any intellectual claim, even a claim, we ablate that. We then copy it. We then key stroke or scan. When we say scan, we don't mean scan the whole page. We mean scan the text of a judicial decision as written by a judge. That's all we ever scan.

THE COURT: Do you block out all of the key numbers in the text?

MR. HARTMANN: Yes. And that was done years ago, your Honor, five of them. We sent the original text, the [26] ablated text, the scanned text and the resultant text to West and said: Tell us what in here do you claim a copyright.

Now, we played this game for five years, and what it comes down to, what Mr. Musilek just said if I understood him right, your Honor, is there is an intellectual, some value, some choice, some decision in putting cross-references in.

Nothing more, your Honor.

MR. MUSILEK: Your Honor, this is not closing argument at a trial. This is a summary judgment motion, and yet what I heard from Mr. Hartmann was not nothing more than personal testimony as to what he thinks the facts are. Of course, those facts are highly contested in sworn affidavits.

THE COURT: But you are saying they are highly contested. You put in some generalized statements in an affidavit. That doesn't establish the detail that you need to sustain your claim.

MR. MUSILEK: Your Honor, if I may, this is out of Alan Sugarman's deposition. This is not generalized. This is specific testimony by Alan Sugarman, the owner and president of Hyperlaw.

"Q. What plans do you have with respect to scan? Do you have particular groups of material that you [27] would scan?

"A. Well, the first group would be to fill in pieces of the court's information whatever reason are not made available to us even though they might make them available to others in digital form. Then we would work back with regards to, perhaps, to depending on the upon the court's opinion we would fill in Federal, we would take the decisions from the Federal Reporter and have them converted. Again, that is basically an economic decision.

"With regard to scanning these materials in" —

THE COURT: I don't give tests to the court reporter.

MR. MUSILEK: "Question: With regard to scanning these materials in, are there any other preparations you would need to make? Are there any preparations you would need to make with regard to the beginning of this operation if the court's decision gives you permission to do so?

"A. In the older decisions all you would have to do is purchase a set of used books from a law book dealer.

"Q. In terms of technology and products and in terms of procedures, is there anything you have not yet put in place?

"A. No."

Mr. Sugarman testified that he intended to scan. [28] That is evidence in the record. That fact and every inference from it must be granted to West on a summary judgment motion, your Honor, and so you have to assume that what they intend to do is scan.

THE COURT: Suppose all I am going to do is grant summary judgment that says that Hyperlaw may copy, may scan the text of a West opinion, not including any headnotes, identity of counsel, or any key number, without any key numbers in the opinion?

MR. MUSILEK: What about alternative and parallel citations?

THE COURT: Let's just deal with that. I can do that.

Then the question is whether I think that the alternative and parallel citations are really a substantial contribution that

gives you a separate copyright with the exception of me, the author.

MR. MUSILEK: Your Honor, with regard to a summary judgment motion, and again that's a standard we are dealing with here, not a summation at trial, with regard to summary judgment motion, we have an affidavit from Donna Bursgard that is specific on that point which is that alternative citations are creatively selected, created and prepared by West attorney-editors. That fact must be taken as true.

[29] THE COURT: The fact that alternative citations are selected has to be selected. I don't have to take it as a matter of law what the law is saying is created.

MR. MUSILEK: Your Honor, the law does say and no one disputes it that if it is a creative selection that is copyrightable. That is statutory language. That is Section 101 of the copyright.

The selection, coordination or arrangement, any one of these three things is entitled to protection. When you tell someone they can scan all of our selection of alternative and parallel citations you are telling them they can copy our selection. That's an infringement.

And what I am saying is on a summary judgment motion that's entirely inappropriate and you cannot really piece out and parse out of pieces —

THE COURT: Are you ready for trial next week?

MR. MUSILEK: I understand Mr. Chu is gone for three weeks to Southeast Asia.

THE COURT: He's not going to have to try this. He's got a different issue.

MR. MUSILEK: Your Honor, I don't know if we are ready for next week. Our witnesses are ready to testify and to testify in front of a jury about what they do.

There are a couple of other things that I do want to bring to the Court's attention because I think we have [30] gotten afield. West does take very much umbrage at the notion that they are coming in and arguing about the copyright provision 403 without having ever pleaded it and given the clear fact dispute that arises simply by looking at the copyright notion that Matthew Bender and Hyperlaw uses on their products.

The legislative history cited by Mr. Hartmann made mention of using government works with a general copyright notice. There is no general copyright notice here. We are talking about a very specific copyright notice in West books, in Matthew Bender CD-ROMs and in Hyperlaw CD-ROMs that states clearly that no copyright is claimed in government works.

Your Honor, Section 403 states that you may show affirmatively or negatively in your copyright notice what you claim a copyright in. West, Matthew Bender and Hyperlaw all show it the same way. They all claim a copyright in the text of the opinions that's entirely enhanced, and we cite that in the briefs and it is there, and given that it seems implausible

even if it weren't procedurally improper, it seems implausible and in fact impossible to grant a summary judgment motion on the issue when there is no testimony in the record, no discovery in the case on that issue and we have as known fact that all three parties use the same copyrights.

[31] The other thing I do want to say they make statements about what they have seen and what they did in discovery. They don't rebut what West says it does and how it says it does it.

Your Honor, I would take issue with the notion that the affidavits of West are not specific. In large part they are very specific. Certainly as to the arrangement of the works. Certainly as to the arrangement of Supreme Court Reporter being different from U.S. Reports. All you have to do, your Honor, is take judicial notice by looking at a single volume of Supreme Court Reports, and if you look and I am looking at Volume 106, if you look at the very first case that is referenced there, there is a parallel citation to the U.S. Reports which shows that it is in Volume 473 U.S. 1308.

If you then go to the next case that's reported by West it is 473 U.S. 1307, followed by 473 U.S. 1315 which means we have three cases in a row. You then turn to the next case and you go back two volumes to look 471, 473, 473. Your Honor, there is not an identical arrangement. There never has been. How different it is is, of course, a fact question.

Finally, of course with no offense to the government but with respect to Supreme Court decisions, it is West that comes out with Supreme Court Reporter two years [32] before U.S.

Reports, so they obviously are not copying it from U.S. Reports.

THE COURT: Let's take a five-minute recess.

(Recess)

THE COURT: Do both sides agree in the Matthew Bender case that the issue can be decided an summary judgment?

MR. CHU: We do, your Honor.

MR. MUSILEK: Your Honor, West takes the legal position that it can be decided on summary judgment with the assumption that West has a creative arrangement and that the copying that is done by Matthew Bender has been admitted to be done. If they are going to contest either of those, then of course we think we have a fact dispute.

THE COURT: I don't think what Matthew Bender has done is contested.

MR. MUSILEK: It says in its brief and statement of undisputed facts that it has copied nothing from a West book.

THE COURT: It has copied nothing from a West book that is inserted in star pages. They copied them from other sources. The text of the opinion comes from other sources.

MR. MUSILEK: I guess all I am saying is in response to the question is the standard is the fact that we [33] have cross-moved —

THE COURT: That I know, but I am trying to find out whether anybody thinks there are really any facts in dispute here, material issues of fact in dispute.

MR. MUSILEK: Applying the undisputed facts asserted by West, West believes summary judgment is appropriate that star pagination is an infringement.

THE COURT: Let's assume I disagree with that. What is not factually disputed that would prevent me from granting summary judgment for Matthew Bender?

MR. MUSILEK: The facts as set forth in all of the material by West as applying Section 106 of the Copyright Act, which defines copies and says that copies are anything that results in the underlying working capable of being perceived, communicated.

We are saying that can be done, and in our statement of undisputed fact we are saying the Matthew Bender product allows you to perceive and communicate the West arrangement. If that is accepted as fact in the Court's factual findings, then we are prepared to have the Court rule on summary judgment.

If the Court says that the Matthew Bender product does not communicate or that the arrangement cannot be perceived by using the West arrangement, cannot be perceived using the Matthew Bender product, then there is a fact [34] dispute.

THE COURT: What difference is there between using the star pagination as simply the first name, the first page pagination?

MR. MUSILEK: Your Honor, that's a very important fact question that goes to the fair-use portion of the case. That is in essence the fair-use portion of the case. One use is a reference to a West work. It is fair use. One use. Star pagination, on the other hand, is a supplanting use, not a fair use.

THE COURT: Star pagination, though, you say if by using the star pagination they can duplicate through their computer the West system, why can't they do that, why they can't they reproduce your compilation simply by using the first page?

MR. MUSILEK: Your Honor, they can. They cannot show where in fact page breaks occur; they cannot show the page numbers associated with those page breaks for finding specific portions of text.

THE COURT: I have enough of what I need.

I am going to grant summary judgment to Matthew Bender and to the star pagination.

As I indicated at the outset of this argument, with the quote from Judge Leval in CCC, that the facts set forth in the compilation are not protected and may be freely [35] copied, the protection extends only to those aspects of the compilation that embody the original creation of the compiler.

Here, the original creation of West is not in the number of lines in any case, it is not in the number of any pages of any case. The original creation may be in the way West selects

cases for reporting, the cases that it puts, any headnotes that it adds to the report and similar additional material when put together with the official report that that they obtain from the Court.

However, where and on what particular pages the text of a court opinion appears does not embody any original creation of the compiler, and, therefore in my view, is not entitled to protection.

Even if the Court were to find that this matter were entitled to protection, the use of star pagination would in the Court's view constitute fair use.

I think it is important in looking at the fair use analysis to start with the decision in the Second Circuit in Weissman v. Freeman which underscores an important factor which I think is often overlooked by lawyers' mechanical arguments about fair use, and that is the statement that appears, if I am not violating any copyright, on page 1323 of 868 F.2d. "Analysis begins not by elevating the statutory guides to inflexible rules but [36] with a review of the underlying equities."

It seems clearly the underlying equities here lie with allowing use of star pagination. On the one hand it can be said that somehow Matthew Bender is taking advantage of the sweat of West's brow. But Feist did away with that concept. What West is attempting to do by trying to inhibit star pagination is to create a monopoly over reported court decisions. That, in my view, is not an equitable activity and therefore should play some role in the analysis of whether or not there is fair use here.

Appendix C

The purpose and character of the use is, yes, that it is commercial, but it is only concluding whether it is commercial. Matthew Bender is not using the star pagination to take advantage of some structure in West's compilation that has these bits of text appear on a particular pages. It is simply providing a method whereby users of its product who wish to look at the text in its hard copy form can go to the volumes and find it. It is also providing a method by which the users of its product can in their legal writings refer others to the official reports as is often required by the rules of courts and the rules of individual judges, such as my rules.

So that if we look at the purpose and character of the use, even though it is commercial, it still seems to me that it has purposes here that make it a worthwhile [37] purpose and that there is no great advantage to West from that use.

Again, we look at the nature of the copyrighted work. It is a compilation. The star pagination does not in any way take advantage of that part of West's effort in making the compilation that reflects its intellectual effort. It simply, as I indicated earlier, reflects the accident of where a particular portion of an opinion ended up in a West reporter.

Similarly, the star pagination does not take a substantial amount in relation to the copyrighted work as a whole. West has its copyright because of the compilation, not because of where a particular portion of court-authored text falls on a page.

As to the effect of the use upon the potential market for a value of the copyrighted work, it does not seem to me that

this factor weighs heavily in West's favor because the use of the star pagination does not necessarily impact on the market for those who want printed books in which they can look at the decisions of the court and want to have compilations; that is, works that lay out those opinions in a specific creative order that West has compiled. It simply will affect the market for text of court decisions. But West has no copyright on the text of the court decision. It only has a copyright in a [38] compilation. So for all of those reasons the Court concludes that summary judgment should be issued on the question of the use of star pagination.

With respect to the Hyperlaw issues, the Court is going to deny summary judgment to Hyperlaw because I think under the standards of the Second Circuit there are disputed issues of fact, and although on the facts as they have been presented to me I would decide in Hyperlaw's favor, and indeed if I were a circuit judge I might well find that the issue was clear enough that there were not disputes of material fact. I'm not at all confident that the Second Circuit would adopt that position and I am very confident that it is not in anybody's interest given the extended nature of this case that we simply set off a round of briefing in the Second Circuit and then if I am correct that that court might find that there are factual issues to have to come back here two or three years from now to deal with that issue. I think it is a more practical approach and I think required here that the issues of fact be developed at the trial.

Whether at the end of the trial it showed no more than the record before me, I would direct a verdict or enter a judgment NOV is a question that will be left open. But I think

that summary judgment is not the appropriate vehicle to deal with this case.

[39] MR. HARTMANN: Your Honor, may I inquire. At 6 of our reply brief we conceded that the matter was ripe for summary judgment with regard to pagination and made the parallel motion.

THE COURT: As to parallel motion, with respect to pagination it applies completely and I am happy to enter summary judgment for you and to have that entered as a final judgment and so that it may be taken up because it should go up and there is no difference in my view.

MR. HARTMANN: Thank you, your Honor.

THE COURT: This is going to be a jury trial?

MR. MUSILEK: Your Honor, yes, at this point I think all parties have asked for a jury.

THE COURT: And after what I've just said I would be very surprised if West would waive a jury.

How long do you anticipate this trial will take?

MR. HARTMANN: Your Honor, Hyperlaw suggests as Mr. Musilek represented earlier in the argument that all of the witnesses are known, all of the basic testimony is already before the court, we would expect it not to take more than three days.

MR. MUSILEK: Your Honor, I think that's a gross underestimate of the time. It is going to take all the West attorney-editors to tell what they do and show what's in the books. I think it is a two-week trial.

[40] THE COURT: January 27th.

MR. HARTMANN: Thank you, your Honor.

THE COURT: Give me a pretrial order by January 17th. Thank you.

(Proceeding adjourned)

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APPENDIX D — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT DENYING PETITION FOR REHEARING DATED AND FILED DECEMBER 18, 1998

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT
UNITED STATES COURT HOUSE
40 FOLEY SQUARE
NEW YORK 10007

CAROLYN CLARK CAMPBELL
CLERK

At a stated term of the United States Court of Appeals for the Second Circuit, held at the United States Courthouse, Foley Square, in the City of New York, on the day of one thousand nine hundred and ninety-eight.

Dkt No: 97-7430

Matthew Bender & Co.

Plaintiff-Appellee,

v

West Publishing Co.

Defendant-Appellant.

A petition for rehearing en banc having been filed herein by the appellant West Publishing Co.

Appendix D

Upon consideration by the panel that decided the appeal, it is Ordered that said petition for rehearing is **DENIED.**

It is further noted that the petition for rehearing in banc has been transmitted to the judges for the court in regular active service and to any other judge that heard the appeal and that no such judge has requested that a vote be taken thereon.

FOR THE COURT

CAROLYN CLARK CAMPBELL,
Clerk

By: s/ Beth J. Meador
Beth J. Meador,
Administrative Attorney

APPENDIX E — JUDGMENT OF THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT DATED NOVEMBER 3, 1998 AND FILED NOVEMBER 4, 1998

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT
UNITED STATES COURT HOUSE
40 FOLEY SQUARE
NEW YORK 10007

SDNY/NYNY
94-cv-589
Trj: Martin
Mag: Buchwald

At a stated Term of the United States Court of Appeals for the Second Circuit, held at the United States Courthouse in the City of New York, Foley Square, on the 3rd day of November, one thousand nine hundred and ninety-eight.

BEFORE: Hon. Richard J. Cardamone
Hon. Dennis Jacobs
Circuit Judges
Hon. Robert W. Sweet
District Judge*

Docket No. 97-7430

MATTHEW BENDER & COMPANY, INC.,

Plaintiff-Appellee,

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* The Honorable Robert W. Sweet, of the United States District Court for the Southern District of New York, sitting by designation.

Appendix E

HYPERLAW, INC.,

Intervenor-Plaintiff-Appellee,

–v–

WEST PUBLISHING CO.; WEST PUBLISHING CORPORATION,

Defendants-Appellants.

Appeal from the United States District Court for the Southern District of New York.

This cause came on to be heard on the transcript of record from the Southern District of New York and was argued by counsel.

ON CONSIDERATION WHEREOF, it is now hereby **ORDERED, ADJUDGED, and DECREED** that the judgment of said district court be and it hereby is affirmed in accordance with the opinion of this court.

FOR THE COURT
Carolyn Clark Campbell, Clerk
By:

s/ Beth J. Meador
Beth J. Meador
Administrative Attorney